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# **Daily Report**

## **East Asia**

FBIS-EAS-96-145

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# Daily Report

## East Asia

FBIS-EAS-96-145

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**Eight APEC Members Submit Revised Individual Action Plans**

*BK2507124096 Manila TODAY in English 19 Jul 96 p 17*

[Report by L. Agcaoili]

[FBIS Transcribed Text] In an effort to facilitate trade liberalization, eight countries of the 18-member Asia-Pacific Economic Cooperation (APEC) economies have revised their individual action plans (IAPs) with deeper tariff cuts.

Countries which submitted revised IAPs during the APEC ministers meeting are Australia, Chinese Taipei, Japan, Korea, Indonesia, China, Thailand, and Canada during the APEC Meeting of Trade Ministers in Christchurch, New Zealand early this month.

According to acting Trade and Industry Secretary Cesar Bautista, the resubmissions made by the eight countries show their seriousness in attaining free trade in the region by the year 2010 for developed nations and 2020 for developing countries.

"Despite some countries maintaining a status quo in the implementation of their action plans, these countries have resubmitted their IAPs to fast track liberalization in the region," he stressed. Bautista refused to go into the details of the revised IAPs but hinted that the changes are related to lower tariff rates region.

He added that other member countries of APEC will have a chance to revise their IAPs before the group's summit in Subic in November. They may submit their revised IAPs during the Senior Officials Meeting (SOM) III on August 21 in Davao.

The IAPs demonstrate a unique and dynamic approach to regional liberalization consistent with the General Agreement on Tariffs and Trade and the 120-member World Trade Organization. All the 1,512 IAPs will be consolidated for the Manila Action Plan for APEC (MAPA 1996) which will be finalized by the APEC ministers in November.

During the Third SOM in August in Davao, APEC members will table IAPs; enhance private sector participation; and draw up a common position among the group.

MAPA '96 will implement the 1995 Osaka Action Agenda, the road map for the 1994 Bogor declaration that targets free and open trade and investments in the region.

APEC groups Australia, Brunei, Darussalam, Canada, Chile, the People's Republic of China, Hong Kong, Indonesia, Japan, the Republic of Korea, Malaysia, Mex-

ico, New Zealand, Papua New Guinea, the Philippines, Singapore, Chinese Taipei, Thailand, and the United States.

**ASEAN-West Rift Over Human Rights in Burma Persists**

*BK2607040796 Bangkok THE NATION in English 26 Jul 96 pp A1, A2*

[Report by Don Pathan and Yindi Loetcharoenchok]

[FBIS Transcribed Text] Jakarta — The rift between ASEAN and its Western dialogue partners continued yesterday over the inclusion of human rights and democracy in Burma as part of their annual consultation on regional security.

In a press conference at the end of two-day meeting, Indonesian Foreign Minister Ali Alatas said although the West and ASEAN shared common aspirations for democratic and human rights improvement in Burma, they differed on their approach.

When asked if human rights and democratisation in Burma, or any other country, were now considered a security factor in the ASEAN Regional Forum (ARF), Alatas avoided the question saying the current Burmese situation was essentially an internal matter.

He quickly dismissed the notion that the two issues would be on the agenda of the annual ARF meeting.

Alatas said that the ARF discussed the Burmese situation but participants did not imply that human rights and democratisation were now a security factor in the region and should be taken up in future ARF meetings.

But the incoming EU President, Dutch Deputy Prime Minister Hans Van Mierlo, quickly corrected and rebutted Alatas' arguments saying that "satisfaction is perhaps not the right word for the (Burmese political) situation which is very unsatisfying".

He said the EU was satisfied that it could discuss the Burmese problem with ASEAN and the Burmese foreign minister, "but I recognise that there is still a problem (in Burma)... and we have to see what happens in the near future".

He added that one should not assume that human rights and democratization would be included in future ARF meetings despite the fact that all concerned parties were able to discuss the Burmese situation at Tuesday's meeting.

Alatas said: "The fact that we have found a way to talk about the issue should not immediately lead to the question that democratization and so on will from now on automatically be regarded as a threat to

regional security and will therefore be eligible for ARF discussion."

Canadian Foreign Minister Lloyd Axworthy defended his country's proposal for the establishment of a United Nations contact group for Burma, saying that it would be a useful way of establishing an exchange of information.

"We are looking for any kind of vehicle that will enable us to maintain some sort of incremental development so that we can engage the regime in Myanmar (Burma) over ongoing issues that are of concern to us and other countries," he said.

ASEAN members turned down the Canadian proposal, arguing that such a mechanism countered the principle of non-interference in internal affairs of other countries.

Despite several days of intensive consultations, the West, led by the US and the European Union, and ASEAN still differ in their approach and policies towards Burma.

While the US and EU agreed to disagree with ASEAN's policy of constructive engagement with Burma, they have urged the grouping to "use their engagement with Burma constructively" to promote greater openness and stability.

Although the West fell short of saying it would impose economic sanctions in the future, US Secretary of State Warren Christopher singled out Burma in his speech on Wednesday as the world's largest source of opium and heroin which poses a new threat to the world community.

Despite the West's initial strong opposition, Burma attended the ARF meeting joined by its 10 dialogue partners — the US the EU, Australia, Canada, New Zealand, Japan, South Korea, India, Russia and China. Laos, Cambodia and Papua New Guinea also joined ASEAN in the meeting.

ASEAN and the West, Alatas said, had found "a way that was satisfactory to all participants where we could deal with the question" of Burma.

"In a way, this was an incremental and innovative step forward ... As to the substance, I think the discussions were able to shed greater light on each other's perceptions and position. In that sense, I think it was positive and productive. We will see how it will develop further," he said.

#### EU Urges ASEAN To Allow Political Discussion

*BK2607034196 Bangkok BANGKOK POST  
in English 26 Jul 96 p 1*

[Report by Nutsara Sawatsawang from Jakarta]

[FBIS Transcribed Text] The European Union yesterday proposed that the Association of Southeast Asian Nations allow room for political discussion in a new cooperation agreement due to take effect in 2000.

The EU proposed that ASEAN consider as a model the agreement the EU has concluded with the US, which allows for social clauses, including human rights and labour standards, officials said.

The current ASEAN-EU cooperation agreement focuses only on economic areas, was amended last year, and will expire in the next four years.

The EU put forward its proposal during ASEAN-EU talks chaired by Irish Foreign Minister Dick Spring, European Commission Vice President Manuel Marlin and Singapore Foreign Minister S. Jayakumar.

The meeting was part of annual talks between ASEAN and its major trade partners which ended yesterday. The EC is a governing body of the EU.

Foreign permanent secretary Thep Thewakun, who represented Thailand at the meeting, said the EU called on ASEAN to consider the agreement the EU concluded with the United States as a basis for drafting the new ASEAN-EU cooperation agreement.

But M.R. [Mom Ratchawong — royal title] Thep was pessimistic about ASEAN's reaction to the EU proposal.

If ASEAN accepts the proposal, the European Commission would be entitled to make demands on labour standards which ASEAN member states and its prospective members would not be able to accept, he told reporters.

The agreement would take effect at a time when ASEAN is due to be a community of 10 Southeast Asian nations, with Burma, Cambodia and Laos integrated.

"We must also consider their benefits," M.R. Thep said.

Dutch Foreign Minister Hans van Mierlo, future president of the EU, said yesterday the discussion was "very positive" and "frank".

The matter will be a focus of talks at the 12th ASEAN-EU Ministerial Meeting in February in Singapore.

Established in 1980, the ASEAN-EU cooperation agreement is automatically extended every five years.

The discussion of content of the new agreement is based on a proposal of the leading European and Asian persons

— Eminent Persons Group [EPG] — which has laid out "A New Strategy for a New Partnership" and the EC's strategic paper on "Creating a New Dynamic in EU-ASEAN Relations."

The EPG envisions the two regions cooperating on an equal basis.

**ROK, U.S., Japan Agree To Await DPRK Response Before Giving Food**

*SK2507052996 Seoul YONHAP in English  
0511 GMT 25 Jul 96*

[FBIS Transcribed Text] Seoul, July 25 (YONHAP) — Foreign Minister Kong No-myong and his U.S. and Japanese counterparts, Warren Christopher and Yukihiko Ikeda, agreed to adhere to their position that they will not offer any additional food aid nor lift economic sanctions on North Korea until the North accepts the peace initiative jointly proposed by Seoul and Washington, a Foreign Ministry official said Thursday.

Dismissing as "distorted" reports that Kong, Christopher and Ikeda agreed to offer rice aid and ease economic sanctions on the North at a three-way meeting in Jakarta, Indonesia, Wednesday, the official said that the three ministers agreed not to offer food aid or ease sanctions even after the North comes forward for the explanation sessions proposed by Seoul and Washington to brief the North on the economic and political benefits it can get in return for accepting four-way peace talks.

"We made the proposal on the four-party meeting on an unconditional basis and we will continue to stick to the principle," the official said, adding that there will be no "inducive measures" to attract the North into accepting the four-party meeting.

The official did not rule out, however, the possibility of South Korea and the United States taking steps to foster an atmosphere in which the North could easily make its decision to take part in the four-way talks.

The official cited as examples South Korea recently offering cooking oil, allowing some of its big businesses to invest in North Korea and providing 3 million dollars in humanitarian aid to help North Korea with its severe food shortage.

The United States also offered 6 million dollars in food aid to North Korea through the United Nations Department of Humanitarian Affairs (UNDHA) and allowed a U.S. firm to invest 30 million dollars in North Korea to renovate the North's steam power plants in Naja-Sonbong free economy and trade zone which

use the heavy oil provided by the United States in alternative energy until two light-water nuclear reactors are provided in accordance with the 1994 nuclear agreement.

The official, who did not want to be identified, predicted that nearly 50 South Korean businessmen and officials will visit the north's raja-sonbong economic zone this coming September for seminars and other meetings organized by North Korea to attract investors in the region.

He did not expect, however, any kind of comprehensive lifting of economic sanctions on North Korea nor provision of large-scale food aid to the North until the North comes forward for the four-party meeting.

At Tuesday's meeting between minister counselor Han Song-nyol of the North's permanent mission in New York and U.S. officials, Han repeated the North's position that it needs more food aid and additional lifting of sanctions to persuade hawkish members in the North Korean hierarchy to accept the four-party talks, according to the official.

"That kind of strategy is just the same as the North employed during the nuclear talks in Geneva in late 1994," he said. "The North wants to get as much as they can before they come forward for the four-party peace talks."

"We cannot, however, use all of our trump cards before we start talks on the four-party meeting," he said.

The United States seems to be in a dilemma in which it cannot use up the cards before the four-party talks while trying not to provoke the North Korean regime whose hardliners are dissatisfied with Washington failing to ease sanctions and drop the North from its list of terrorist states, he said.

South Korea and its allies, however, think that the North will eventually accept the four-party meeting, although the North will decide on the timing itself, officials said.

North Korea expressed keen interest in the benefits it might receive in return for taking part in the four-party talks during previous meetings with U.S. officials in New York.

South Korea favors deputy-minister level explanation sessions for the four-party talks and expects the four-party meeting to be minister-level in light of the political implications the meeting will have.

**Japan****Japan: Official Says Insurance Talks Agreement 'Highly Unlikely'**

OW2607040596 Tokyo KYODO in English  
0332 GMT 26 Jul 96

[By Kohei Murayama]

**[FBIS Transcribed Text]** Vancouver, Canada, July 25  
**KYODO** - The first round of two-day talks in Vancouver, Canada, between senior negotiators on the Japan-U.S. insurance dispute ended Thursday [25 July] with prospects of agreement looking dim without higher-level sessions for "political decisions" to resolve wide gaps by next Wednesday's deadline.

"We have a distance (between us)...[ellipses as received] Pretty far," Ira Shapiro, senior counsel and negotiator of the Office of the U.S. Trade Representative, told reporters as he emerged from the negotiation venue at a bayside hotel.

U.S. and Japanese officials said that working-level officials will continue their talks late into the night to allow substantial negotiations to begin on the second day of talks between Shapiro and Eisuke Sakakibara, director general of the Japanese Finance Ministry's International Finance Bureau.

But a Japanese official, speaking on condition of anonymity, said, "an agreement is highly unlikely here this time."

"The results at best will be that the two sides narrow down their differences to four or five (issues)," the official said, without elaborating on what those differences are.

Noting that both Japan and the United States will soon face crucial elections, the official said, "the remaining gaps are so politically sensitive that they require political decisions to allow...a compromise."

Sakakibara has not been given the authority to make final concessions, and he is likely to return to Tokyo after the talks to seek such decisions from Finance Minister Wataru Kubo and Prime Minister Ryutaro Hashimoto, the official said, adding that Shapiro will also probably have to refer to his seniors in the same way.

As for the next steps after the Vancouver talks, the official said one possibility is that acting U.S. Trade Representative Charlene Barshefsky might visit Tokyo after her talks early next week on the semiconductor dispute with Japanese international trade and industry minister Shunpei Tsukahara in Vancouver.

The official added that the insurance talks could be extended beyond the Wednesday deadline.

"The semiconductor issue must be resolved by the July 31 deadline because the two trade chiefs will be negotiating directly, but there's no problem (for the insurance talks) to run two or three days more, as long as they don't go into the following week," the official said.

In late June, Hashimoto and U.S. President Bill Clinton set the Wednesday deadline for their negotiators to work toward a "mutually acceptable agreement" in the semiconductor and insurance issues.

The two-day meeting began with both Sakakibara and Shapiro telling reporters they hoped the insurance issue would be resolved by the deadline, but the two senior negotiators also underscored that there were still big gaps between the two sides.

"I am looking forward to constructive and in-depth discussions to try to resolve this issue," Shapiro said, while reiterating that the U.S. wants "substantial deregulation of the primary (life and nonlife insurance) sectors."

Sakakibara said, "Both sides must show efforts to resolve the issue, although wide differences remain."

Reflecting the toughness of the talks, the two sides recessed at lunchtime for a long break — when the U.S. negotiators held discussions with industry officials — before resuming in the early evening, the Japanese official said.

Negotiation sources said Japan has probably officially tabled a compromise proposal to hold quarterly sessions until next April to review deregulation in Japan's primary sectors.

In addition, they said, Tokyo has proposed delaying until two years after the review period the entry into the "third-sector" Japanese insurance market by subsidiaries of major Japanese life and nonlife insurance companies.

The proposal also includes delaying the entry of life insurers into personal accident insurance in Japan — the major disputed area in the third sector, the sources said.

They said Japan conveyed the proposal unofficially earlier this month, and the U.S. side initially responded with a call for the review of Japanese deregulation to be continued indefinitely.

The Japanese plan compares with an earlier U.S. proposal to monitor deregulation for one year, and allow access to the third sector in three years if Japan achieves substantial deregulation during the monitoring period.

The two nations have been at odds over the scope and timing of major Japanese life and nonlife insurers entering the third sector under the 1994 bilateral insurance agreement.

The third sector covers insurance for cancer treatment, nursing and accidents, as well as other insurance products that are in a gray zone between the primary life and nonlife sectors.

Foreign insurers have a strong hold in cancer and some other lucrative areas of insurance, which major Japanese insurers are planning to enter through subsidiaries.

Japan's new insurance law, which came into effect in April, allows major life and nonlife insurers to enter each other's turf through subsidiaries.

Under the bilateral accord, however, Japan is to take special measures in its third-sector market, such as banning the subsidiaries from introducing "new or expanded" products."

Such measures would be aimed to avoid "any radical change" in the market before foreign insurers are given a "reasonable" period to compete with Japanese rivals in the primary sectors after those sectors are substantially liberalized to allow a wide variety of rates and types of policy.

In earlier talks, the two nations each agreed to implement the special measures for cancer and some other disease insurance, and to allow subsidiaries immediate access to nursing insurance.

#### **Japan: Tsukahara Planning To Join Chip Talks With U.S. in Canada**

*OW2607052096 Tokyo KYODO in English  
0456 GMT 26 Jul 96*

[FBIS Transcribed Text] Tokyo, July 26 KYODO — International Trade and Industry Minister Shunpei Tsukahara said Friday he plans to fly to Vancouver, Canada, on Tuesday to join semiconductor trade talks with the United States.

Tsukahara told reporters that he will seek to strike a deal, but will also clarify areas where Japan cannot compromise.

Japan and the U.S. are to hold vice-ministerial chip talks in Vancouver to try to settle the semiconductor dispute by the July 31 deadline.

With Tsukahara's arrival in Vancouver, the talks are expected to be upgraded to ministerial level.

Asked to comment on proposals made by Washington ahead of the upcoming semiconductor talks, Tsukahara said only that Tokyo is now considering them.

The U.S. proposals came in response to a compromise offered by Japan to break the impasse over the future of the current bilateral chip accord, which expires July 31.

The two countries must look seriously at each other's proposals to progress in the talks, Tsukahara said.

#### **Tokyo Promises Support for First WTO Ministerial Meeting**

*OW2507144796 Tokyo KYODO in English  
1414 GMT 25 Jul 96*

[FBIS Transcribed Text] Singapore, July 25 KYODO — Japanese Foreign Minister Yukihiko Ikeda promised Thursday that Tokyo will do its utmost to help bring the first ministerial meeting of the World Trade Organization (WTO) in Singapore in December to a successful conclusion, Japanese officials said.

Ikeda told Singapore Foreign Minister Shanmugam Jayakumar that Japan will try to act as a "bridge" between advanced nations and less developed countries at the WTO meeting, the officials said.

In the meeting with Jayakumar, Ikeda also promised Tokyo's cooperation in successfully concluding the first foreign ministerial session of the Asia-Europe Meeting (ASEM) scheduled for next February in Singapore, the officials said.

The ASEM process was launched in Bangkok last March in the form of a summit involving the Association of Southeast Asian Nations (ASEAN), some other Asian countries and the European Union.

While reaffirming the need to forge a closer bilateral cooperative relationship, Ikeda and Jayakumar agreed to hold a meeting in Singapore of vice foreign ministers from the two countries this fall, the officials said.

Ikeda is the first Japanese foreign minister to visit Singapore since Kabun Muto did so in July 1993.

Prior to his arrival in Singapore, Ikeda was in Indonesia, where he attended a series of talks sponsored by ASEAN.

On Friday, Ikeda is scheduled to pay a courtesy call on Prime Minister Goh Chok Tong, Deputy Prime Minister Lee Hsien Loong, and Senior Minister Lee Kuan Yew, who was prime minister for 31 years until 1990.

Ikeda will also travel to Vietnam on Saturday before returning to Japan on Monday.

## NORTHEAST ASIA

**Japan: Ikeda Expected To Meet Singapore Prime Minister, Others**

*OW2607004896 Tokyo KYODO in English  
1653 GMT 25 Jul 96*

[FBIS Transcribed Text] Singapore, July 26 KYODO — Japanese Foreign Minister Yukihiko Ikeda will meet Singapore Prime Minister Goh Chok Tong on Friday [26 July] to discuss a wide range of issues of mutual concern, Japanese officials said.

Ikeda will also meet Deputy Prime Minister Lee Hsien Loong and Senior Minister Lee Kuan Yew, who was prime minister for 31 years until 1990, the officials said.

After arriving in Singapore on Thursday, he conferred with Singapore Foreign Minister Shunmugam Jayakumar on some key bilateral and international issues.

In the meeting with Jayakumar, Ikeda promised Tokyo's utmost support for successfully concluding the first ministerial meeting of the World Trade Organization (WTO) in Singapore in December, a Japanese official said.

Ikeda told Jayakumar that Japan will try to act as a "bridge" between advanced nations and less developed countries at the Singapore session of the WTO, which is the global trade watchdog that replaced the General Agreement on Tariffs and Trade (GATT) in January 1995, the official said.

The two agreed that the first WTO ministerial meeting needs to address in a balanced manner issues already agreed upon in the GATT process and new issues such as investment.

Ikeda also promised Tokyo's cooperation to bring to a successful conclusion the first foreign ministerial session of the Asia-Europe Meeting (ASEM) scheduled for next February in Singapore, the official said.

**Japan: 'Source' Says Auto Talks With Brazil End Without Resolution**

*OW2607070596 Tokyo KYODO in English  
0141 GMT 25 Jul 96*

[FBIS Transcribed Text] Geneva, July 25 KYODO — Japan and Brazil failed to settle a bilateral dispute over Brazil's motor vehicle import policy, which links tariff incentives with investment promotion, after two days of talks that ended Wednesday [24 July], a Japanese source close to the negotiations said.

"No specific satisfactory solutions have been found" in the trade talks held Monday and Wednesday, said the source, making it certain that Japan will lodge a complaint with the World Trade Organization (WTO).

The two countries failed to settle the matter in bilateral talks in mid-June in Brasilia.

Last December, Brazil announced that tariffs on finished vehicle imports would be slashed to 35 percent from the regular 70 percent if foreign car makers achieved a local content ratio of 60 percent or more and a balance in their exports and imports of finished vehicles and parts at their Brazilian operations.

The measure caused Japan's vehicle exports to Brazil to plummet because Japanese automakers have few manufacturing units in Brazil. Benefiting most from the step were U.S. and European car makers that have local production bases.

For the first six months of this year, Brazil's imports of Japanese-made vehicles fell sharply to 1,500 from about 32,000 a year earlier.

After the breakup of the talks last month, Brazil abruptly offered a 35 percent tariff without conditions on some finished vehicle imports from Japan.

The latest round of talks in Geneva was designed to clarify the number of vehicles that are eligible for the low tariff as well as other details of the Brazilian proposal, according to Japanese trade officials.

But the Japanese source said the latest talks have clarified no improvements in Brazil's vehicle import policy.

Japan maintains the Brazilian measure that requires Japanese car makers to balance exports and imports runs counter to the WTO's Trade-Related Investment Measures (TRIM).

**Japan: Ikeda, China's Qian Discuss Senkaku Islands Issue**

*OW2507121696 Tokyo SANKEI SHIMBUN in Japanese 24 Jul 96 Morning Edition p 2*

[By Tagui Sasaki]

[FBIS Translated Text] Jakarta, 23 Jul — A meeting was held between Foreign Ministers Yukihiko Ikeda and his Chinese counterpart Qian Qichen on the morning of 23 July. At the meeting, they discussed the issue of building a lighthouse on Senkaku Islands (China calls Diaoyu Islands), which are virtually under Japanese control but China and Taiwan claim territorial rights. But no official announcement was made on the issue. It seems that both countries were concerned about its possible impact on future-oriented friendly relations between the two countries.

According to a source concerned, the meeting was initially scheduled to be held in a hotel suite where

Foreign Minister Qian stayed while having a breakfast. China wanted to create a "peaceful atmosphere as much as possible."

But the atmosphere changed entirely following construction of the issue of the lighthouse on Senkaku Islands and China, on the eve of the meeting, hurriedly called for a change of the meeting place. Officially, it is said that Foreign Ministers Ikeda and Qian had a chat for about 10 minutes on the night of 21 July because they "accidentally met at the hotel," (according to a Foreign Ministry source). During the chat, Qian hinted at the possibility of discussing the territorial issue over Senkaku Islands at an official meeting, according to a Chinese source accompanying the foreign minister.

As a matter of fact, the Japanese Foreign Ministry team, after the chat, clearly ruled out the possibility of taking up the Senkaku Island issue for discussion, saying that it was not "mentioned (as an agenda item)." However, the source accompanying Qian disclosed that Foreign Minister Qian had "asked Ikeda not to complicate the issue because the islands are an integral part of China."

It seems that Qian tacitly asked the Japanese Government not to approve the lighthouse as a navigational marker even if an application is submitted for its approval.

In mid-July, a political group based in Tokyo constructed a lighthouse on the islands. Because of this, China voiced its fierce opposition, saying: "It is a violation of Chinese territory," (according to the same Foreign Ministry source).

Some people thought that the territorial issue over Senkaku Islands was unavoidable at the foreign ministerial meeting because China, among other things, had filed a protest, demanding that the Japanese Government introduce immediate and effective measures.

Immediately after exposure of the lighthouse issue, a top Foreign Ministry official expressed his displeasure, saying in an angry tone that "I am not in a position to make comments." It seems that he had an intention to avoid irritating China more than necessary before negotiations on setting the boundaries of an exclusive economic zone under the United Nations Convention on the Law of the Sea.

#### **Japan: Right-Wing Group Urges Recognition of Disputed Lighthouse**

*OW2507132596 Tokyo KYODO in English  
1308 GMT 25 Jul 96*

[FBIS Transcribed Text] Tokyo, July 25 KYODO — A Japanese right-wing group which has incensed China and Taiwan by erecting a lighthouse on a disputed

isle in the East China Sea urged authorities Thursday to officially recognize the structure, adding fuel to the smoldering territorial row.

The Maritime Safety Agency, which received the application, said it would decide whether to grant recognition "after carefully studying the content of the application."

Seven members of the group, the Tokyo-based Japan Youth Federation, put up the lightmetal structure, which stands 5 meters tall and has a solar cell-powered beacon, on one of the Senkaku Islands on July 14.

The uninhabited isles, located some 200 kilometers northeast of Taiwan proper and 160 km north of the Yaeyama Islands in Japan's southernmost prefecture of Okinawa, are also claimed by China and Taiwan. China calls the isles the Diaoyu Islands, while Taiwan describes them Tiaoyutai Islands.

The group apparently hopes to cement Tokyo's claim that the isles are part of Japan's "indigenous territory" by pushing for official recognition of the private structure.

Last week China urged Japan to remove the lighthouse, stating the islands have belonged to China "since ancient times."

Taiwan fishermen are planning to send a protest flotilla to the area later this month or in early August.

The islands have been claimed by Taiwan and China since at least 1972 when they were handed over to Japan from U.S. military jurisdiction together with the return of Okinawa.

#### **Tokyo, Port Moresby Agree To Open Air Route**

*OW2507145496 Tokyo KYODO in English  
1428 GMT 25 Jul 96*

[FBIS Transcribed Text] Tokyo, July 25 KYODO — Japan and Papua New Guinea agreed Thursday to open a regular air route between the two countries as early as next year, Japanese Transport Ministry officials said.

In preliminary talks in Tokyo, the two sides agreed to sign an aviation pact around the middle of next year and start weekly round-trip flights, the officials said.

Planes flying between the countries will have capacity of around 200 passengers, they said.

#### **Japan: White Paper Urges Structural Reform To Revive Economy**

*OW2607031796 Tokyo KYODO in English  
0200 GMT 26 Jul 96*

[FBIS Transcribed Text] Tokyo, July 26 KYODO — To cope with changing global business conditions and

revive its economic dynamism, Japan has to push ahead with deregulation and change the economic system that enabled miracle growth after World War II, a government report said Friday.

"Insistence on a continuation of the conventional economic structure and the various systems of Japan's economic society do not bode well for the future of the Japanese economy," the fiscal 1996 economic white paper said.

"The Japanese economy will not forge new paths by being afraid of risks. To revive the dynamism of Japan's economy, we must be ready to take on and manage the risks," it said.

The white paper, submitted by Economic Planning Agency Chief Shusei Tanaka, was adopted at Friday's cabinet meeting.

The report, the 50th of its kind, said the Japanese economy, which enjoyed strong postwar growth, now finds itself in a "period of historical structural adjustment."

There are adjustments to be made after the collapse of the "bubble" economy of spiraling stock and land prices in the late 1980s, for the period of yen appreciation, for "megacompetition" in global markets and for the aging population, it said.

Since the conventional catch-up type economic structures, systems and policies failed to flexibly cope with such new challenges, Japan fell into "strikingly exceptional low growth" for the past four years, the white paper said.

Japan's real gross domestic product grew 2.3 percent in fiscal 1995 after posting increases below 0.5 percent in fiscal 1992-1994.

The white paper said the structure of the Japanese economy is characterized as having a "three-tier structure" in which productivity differences are very large and continue to expand.

The structure consists of "comparatively advantageous" manufacturing industries, such as electrical and transport equipment, "comparatively disadvantageous" manufacturing sectors, such as textiles, and "nontradables," or the nonmanufacturing sector with high costs, it said.

As long as the three-tier structure exists, Japan will continue to face problems such as the yen's appreciation, an increase in the trade surplus and price gaps between Japan and abroad, the report said.

It is essential to reshuffle the comparatively disadvantageous and nontradables sectors with rising imports and deregulation as leverage, as well as to further raise pro-

ductivity in those sectors by increasing investment in new technology, it said.

The report also calls for changes in Japan's financial, employment and intercorporate systems, while recognizing the rationality of the conventional systems to some degree.

The so-called Japanese-style management, including the "main" bank system, "keiretsu" corporate groupings, cross-shareholdings, lifetime employment and the seniority-based wage system, is now robbing Japan of its capability of flexibly coping with the changing global business environment, it said.

Japanese companies are traditionally maintaining close relations with a specific bank. The "main" bank serves as major creditors to those companies, holds their stocks and send officials as executives. In many cases, a main bank is the core of a "keiretsu" corporate group.

The report also urges a review of the public sector's roles in the economy. The areas in which the government intervenes should be limited as much as possible, with policy priority given to efficiency, it said.

In particular, the report calls for making more efficient Japan's social security system, including public pension and medical care insurance schemes, amid the rapidly aging population and strained national finances.

On the future course of the Japanese economy, meanwhile, the white paper said the tempo of economic recovery may slow down in the October-March second half of fiscal 1996 if personal consumption and corporate capital spending do not steadily increase.

The white paper said the "frailty" of the economy will remain if Japan depends on short-term policies to shore it up.

"By changing the orientation of Japan's economic structure toward medium- and long-term performance, the Japanese economy should both strengthen and achieve sustainable growth," it said.

#### **Japan: Top Economic Planner Says Structural Reforms Needed**

*OW2607070696 Tokyo KYODO in English  
0532 GMT 26 Jul 96*

[FBIS Transcribed Text] Tokyo, July 26 KYODO — Japan must reform its economic and industrial structure now, or there will be "no future" for its economy, the nation's top economic planner said Friday.

"The (current) economic system, which has supported the country's success story throughout the postwar period, is now facing its limit," Shusei Tanaka, director

general of the Economic Planning Agency (EPA), told reporters after the day's cabinet meeting.

An annual white paper on the economy, the 50th of its kind, submitted by Tanaka to the meeting, urged radical structural reforms to revive the economy.

Tanaka told reporters, "if we cling to the current system, there is no future for the Japanese economy."

#### **Japan: Business Leaders Urge Referendums on Key Issues**

*OW2507143796 Tokyo KYODO in English  
1329 GMT 25 Jul 96*

[FBIS Transcribed Text] Karuizawa, Japan, July 25 KYODO — Business leaders said Thursday that national referendums should be held to decide on important policy issues as recent politics do not reflect public opinions.

The view was voiced at the first-day session of a three-day summer seminar held by the Japan association of corporate executives (Keizai Doyukai) in Karuizawa, a summer resort in Nagano Prefecture, central Japan.

Among participants in the seminar, Yotaro Kobayashi, chairman of Fuji Xerox Co., said such a system is necessary to have politics take public opinions into account.

On economic structural reforms, some participants said organizations and companies with retired top bureaucrats as executives are reluctant to promote deregulation.

Yukio Aida, an adviser to Nomura Securities Co., said the bureaucratic system should be changed by a raise in the mandatory retirement age or other means.

Otherwise, bureaucrats will create organizations on their own with the aim of expanding their interests, he said.

Based on deliberations in the seminar, Keizai Doyukai will compile an action program by the end of this year, association officials said.

#### **Japan: 'Jusen' Loan-Recovery Body Launched**

*OW2607020996 Tokyo KYODO in English  
0114 GMT 26 Jul 96*

[FBIS Transcribed Text] Tokyo, July 26 KYODO — An entity to recover loans owed to insolvent "jusen" housing loan companies was established Friday, setting in motion a government scheme to liquidate them.

Housing Loan Administration Corp. was set up as a subsidiary of Deposit Insurance Corp. It is at the core of a scheme drawn up by the government earlier this year to wind up the seven failed mortgage companies.

The entity's chief job is to take over and recover the jusen's assets and loans, which total 6.78 trillion yen, over a period of 15 years.

It is staffed with police, prosecutors, legal experts and officials from the national Tax Administration Agency and the Bank of Japan to ensure smooth recovery of the loans.

Kohei Nakabo, former chief of the Japan Federation of Bar Association, heads the entity.

Deposit Insurance Corp. has provided the entity with capital of 200 billion yen — 100 billion yen in donations from the private sector and another 100 billion yen from the Bank of Japan.

The corporation is urging the banking, securities and other financial industries holding claims against the jusen firms to contribute to a "financial system stabilization fund."

The fund, with a total value of 1,007 billion yen, is designed to cover losses expected to emerge when loans and assets shifted to the newentity become irrecoverable in the future.

With the establishment of the new entity, other details of the liquidation scheme are expected to be put in motion by the end of this month, Deposit Insurance Corp. said.

The steps include fixation of interest rates on loans to be offered to the entity for its purchase of jusen loans and the creation of a so-called "second fund" to offset 685 billion yen in public money to be used in the liquidation scheme.

The loan administration entity will start actual operations Oct. 1.

#### **Japan: Finance Minister on 'Jusen' Loan Recovery**

*OW2607050996 Tokyo KYODO in English  
0316 GMT 26 Jul 96*

[FBIS Transcribed Text] Tokyo, July 26 KYODO - Finance Minister Wataru Kubo on Friday vowed his utmost efforts to recover loans left by seven failed "jusen" mortgage companies through a newly created organization.

"The government cannot gain public trust if loans owed to the 'jusen' companies are not recovered thoroughly," Kubo said at a news conference.

The government, along with Deposit Insurance Corp., will promote the recovery of bad loans left by the mortgage firms by supporting the operations of the newly inaugurated Housing Loan Administration Corp.

The loan-recovery body was established Friday as a subsidiary of Deposit Insurance Corp. To take over and recover the mortgage firms' assets and loans.

With its establishment, the Finance Ministry accepted the resignation of Yoshimasa Nishimura, director general of the ministry's banking bureau, the architect of the "jusen" disposal scheme, Kubo said.

Kimio Yamaguchi, 51, deputy director general of the ministry's securities bureau, will replace Nishimura, Kubo said.

#### **Japan: Ruling Parties Seek Budget for Okinawa Free Zone**

*OW2507042096 Tokyo NIHON KEIZAI SHIMBUN in Japanese 24 Jul 96 Morning Edition p 2*

[FBIS Translated Text] A plan has emerged in the ruling coalition parties to ask the government to include investigation expenses for expansion of the "Free Trade Zone" in Okinawa, as part of economic development measures for Okinawa Prefecture, in the budget requests for fiscal 1997.

Together with lowering air fares for flights connecting Okinawa and other destinations in Japan, this is meant to create the conditions for solving the U.S. military bases issue, which will probably enter a critical stage in September.

The "Naha Area Free Trade Zone," aimed at promoting the settlement of businesses and developing trade, already exists in Okinawa. At present, there are only around 10 companies operating in the zone. The plan is to revitalize the zone by expanding its land area and by taking deregulation measures and reducing taxation.

#### **Japan: Construction Minister Urges Greater Public Works Spending**

*OW2607074996 Tokyo KYODO in English 0602 GMT 26 Jul 96*

[FBIS Transcribed Text] Tokyo, July 26 KYODO — Construction Minister Eiichi Nakao called Friday for greater spending on public works projects in the state budget for fiscal 1997 that starts next April 1.

Nakao made the appeal at a news conference following a morning cabinet meeting, at which the cabinet adopted a newly released fiscal 1996 white paper on the Japanese economy.

Nakao quoted the white paper as saying public works spending has been a major driving force behind the economy, and said the construction ministry supports this analysis.

"Public works outlays must be expanded until the time comes when Japan has secured a full-fledged economic recovery," he added.

#### **Japan: LDP's Kato Reiterates Possible Elections by End of Year**

*OW2607034996 Tokyo KYODO in English 0217 GMT 26 Jul 96*

[FBIS Transcribed Text] New York, July 25 KYODO — A key policy-maker within Japan's ruling coalition reiterated Thursday that a snap election might be held by the end of this year.

"I wonder whether it will pass the year. The chances (of the House of Representatives' dissolution and a snap election) in January and February are getting slim," said Koichi Kato, secretary general of the Liberal Democratic Party (LDP), the dominant force in the tripartite ruling coalition.

Speaking to a group of Japanese reporters traveling with him on his U.S. trip, Kato cited a possibly austere state budget to be drafted in December for the next fiscal year as a factor making it difficult for the ruling coalition to call a snap poll for the lower house after the budget is approved by the cabinet in December.

Kato had noted in a recent interview with KYODO news that a snap poll could be called in early December, citing the budgetary factor and a series of diplomatic events slated for November.

In other remarks Friday, Kato said he will shortly consult with Prime Minister Ryutaro Hashimoto about the timing of the next general election and discuss election cooperation with labor unions in electoral districts where the Social Democratic Party (SDP) will not field its candidates.

Labor unions are traditional supporters of the SDP, one of the three parties in the coalition, but some labor unions have suggested that they could support LDP candidates on a case-by-case basis.

The next general election is not mandated until next July, but Hashimoto could dissolve the Diet to call a snap poll.

It will be the first under a new electoral system in which 300 seats are elected from single-seat constituencies and another 200 by proportional representation.

**Japan: Shinshinto Urged To Shape Up**

962B0071A Tokyo *THIS IS YOMIURI in Japanese*  
Apr 96 pp 196-199

[Article by Taro Yayama, political commentator: "Shinshinto Must Sharpen Its Sword"]

[FBIS Translated Text] Shinshinto [the New Frontier Party] is shaking. The moment Mr. Ichiro Ozawa was picked as its head in the party presidential election participated in by 1.7 million members, the loser Mr. Tsumoru Hata and his supporter Mr. Morihiro Hosokawa formed Hata's faction Koshikai, declaring itself "an opposition force within the opposition party." It is hard to make out what this is all about. A party head election is meaningful in that, through the process, intraparty confrontations come to an end. An election materializes when a rival announces his candidacy for the party head, concluding that the incumbent has failed to show his competence during his term. The rival candidate may win, but sooner or later he will also have to be baptized with a new election. This is the regular way democracy functions, and when an election is held within a party, intraparty democracy must be implemented in a more exemplary manner.

It was Mr. Hosokawa who proposed an open primary system participated in by ordinary persons. It was Mr. Hata who said that "everyone can stand as a candidate if he or she so desires." Picking a quarrel on a false charge that there were irregularities in the election methods does not prevail these days even among "countryside credit unions." Why did they have to form "Koshikai" when defeated? This will never be understandable to ordinary people. Politicians must not do things that average people cannot make out.

Messrs. Hata and Hosokawa or Mr. Hajime Funada would say in excuse that "Mr. Ozawa's method is arbitrary and dangerous." However, it is believed that Mr. Ozawa was elected because he outscored Mr. Hata in the overall assessment of his qualities including his charisma and strong push. Mr. Ozawa, of course, is not omnipotent in his capacity. If they have misgivings about his actual political management, it would be reasonable for them to take his measure through various party organs. They should not sway the fundamental basis of democracy which is an election by their sentiments or through emotional preference. They should know that such politicians would lose public confidence.

The political world is moving toward restructuring. The current fluidity of the political world is ascribed to the establishment of a new election system centering on the small constituency system. Politicians are taking "actions based on their own predictions" as to what will

become of them under the new system. While making moves, they ask themselves if they have chosen the right groups or think that they had better carry out policy-oriented restructuring. This diversity in thought makes the moves in the political world look complicated, but it may well be said that the framework for political restructuring has generally been completed.

Considering a "constitutional amendment" the largest pivotal policy issue, Mr. Yasuhiro Nakasone is dreaming of a conservative-conservative coalition with Mr. Ozawa. Mr. Noboru Takeshita appears to have the desire to form a clear-cut conservative party by taking in 60 people including Mr. Hosokawa in place of 60-odd seats of the Social Democratic Party [SDP]. The Liberal Democratic Party [LDP] executives including Secretary General Koichi Kato seem to be planning to continue the LDP-SDP-Sakigake [Harbinger] coalition and, through their amalgamation some day, realize a "constitution-defending coalition." Mr. Yukio Hatoyama of Sakigake appears to be groping for the creation of a "new party" which includes not only the SDP but also, more broadly, the LDP and Shinshinto's Hata faction. However, all these moves will eventually fizzle out. I say this for the following two reasons.

**The Strong Are Those Who Have Seized the Executive Department**

The first reason is the actual reality in which the strong are those who have seized the executive department. At this time when even the LDP factions—which once represented the party's chronic disease—are virtually deprived of their substance and exist by name only, it would be all the more difficult to form a new faction within Shinshinto. The second reason is that the new election system is the kind of system that makes all forces inevitably converge into two big parties.

When those who cannot swallow or be satisfied with such a trend want to push their desires through, they cannot but seek to reexamine the election system. This is why arguments for reexamining the election system are now springing up. Politicians may find it pleasant if those advocating the same policies or those on friendly terms can form their own groups and hold their own grounds separately, but will politics improve under such circumstances? The medium-size constituency system was a system that enabled such rival group chiefs to hold their own spheres of influence separately.

The 55-party-system [a two-big party system realized in 1955 with the formation of the LDP and the unity of the Japan Socialist Party now called the SDP] was a make-believe two-party system between the LDP and the SDP; however, in actuality, 10 parties were

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holding their own spheres of influence such as five LDP factions, the SDP's right and left wings, the Democratic Socialist Party [DSP], Komeito, and the Japan Communist Party [JCP]. A government formed by the LDP's five factions was virtually a "coalition government." In the last election held in 1993 under the medium-size constituency system, breakaway groups from the LDP formed Shinseito [the Japan Renewal Party] and Sakigake, and the Japan New Party [JNP] was also set up, thereby increasing the number of such parties to 13 and marking the beginning of the era of the coalition government inherent in the medium-size constituency system (which is academically categorized as the proportional representation system). Having seen Mr. Masayoshi Takemura (elected three times), the leader of Sakigake which started with only 12 members, seize the posts of chief cabinet secretary and next finance minister, many politicians are probably feeling that "I wish I might also have the luck to work at those posts."

As to the new election system, Mr. Funada of Shinshinto regrets that "I felt as if a fever took hold of me when I gave my approval to it." Both Sakigake and the SDP are faced with a survival crisis, and so Mr. Takemura as well as Mr. Tomiichi Murayama have begun to advocate reexamining the election system.

However, what is called the coalition government has the following common evils: it not only breeds the rampancy of influence-selling by those who once held power but also has to drift about all along through repeated compromises, thereby making it impossible to carry out extensive reform demanded by the times. This was clearly demonstrated by the example of the Murayama government, was it not? The medium-size constituency system or the proportional representation system which inevitably entails such a coalition government is unfit at least for the era of change. The reexamination argument is out of the question.

It is only a little over one year since Shinshinto formed itself by putting various parties and factions together. It should seek intraparty wisdom to hammer out a vision for Japan's rebirth and present concrete policies to reach this goal. Mr. Funada is being cited as one of the leaders for the 21st century, but his recent words and actions cannot but be regarded as a reflection of his desires to join in power by flattering the LDP and taking out a number of his colleagues. It would be better for him to entrust such tricky schemes to Mr. Takemura.

#### Opposition Is Not the Only Business It Has

A term "pivotal confrontational issue" is frequently used and politicians frequently talk about the confrontational axis or the confrontational array, but a political party is

not always required to voice opposition to its rival. It appears that the seizure of power is the only purpose for the LDP breakaway elements within Shinshinto, while former Komeito and former DSP elements within the party behave as if their only goal is to put up constant opposition to the LDP elements. Both sides have to change their outlooks on the party. As a new party, Shinshinto should conduct intraparty discussions of all questions such as what it should do with the constitution, with the issue of national defense, with the economic system reform, and with administrative organizations and whether it is all right to leave the bureaucratic system unchanged. It then should decide the order of priority regarding policies and adopt, reject, or choose policy measures. Shinshinto may well offer criticism as to whether the policies of the ruling party are proper or improper in the light of its own plan. Opposition is not the only business the party has.

Policies constantly change in accordance with the shift of the times. As long as there can be no perpetual policies, it is an illusion that a party's so-called confrontational axis shapes up over policy matters. Amending the constitution is surely a big issue in Japan; however, the public opinion will unfailingly move toward favoring it unless Shinshinto considers the issue taboo or forgets to discuss the issue constantly. When the public opinion begins to move, the other party's opinion will also move. A big issue like the constitutional amendment will hardly be resolved if ruling and opposition parties do not reach a consensus of opinion.

It is natural that a political party should aim to seize power; however, when it is out of power, it should set its heart on sharpening its sword thoroughly. The British Labour Party has been out of power since 1979, but it revised its basic policies including its nationalization measure during this period and is now watching for a chance to make a political comeback.

Up until only 10 years ago, New Zealand suffered from economic exhaustion, and a deathly atmosphere pervaded the entire nation. But it is now like a rising dragon through a change of conditions. The Labor Party which had lost power in 1975 worked out a plan for national rebirth during a nine-year period as an opposition party, and upon recapturing power in 1984, it carried out administrative reform with lightening speed and rectified the economic system. State-run businesses including insurance, banking, postal savings, aviation, communications, and harbors were privatized one after another. The bureaucratic system was revamped, and a decision was made to employ administrative vice ministers in respective ministries through contracts. The number of government officials was reduced to 36,000 from 76,000, and deregulation and administrative reform were so drasti-

cally carried out that in the case of the Transport Ministry, its members were decreased from 3,000 to 60 in number. The jobless rate which registered 11 percent during the process of reform is reportedly expected to drop to 7 percent as of the end of 1995. The number of the unemployed decreased by 13 percent during a one-year period ending September 1994 and has since been showing a tendency to fall by an annual rate of 5 percent.

#### **Be Aware of Reform's Historical Significance**

It is hoped that a comparison will be made between such dramatic reform and the present conditions of Japan which cannot abolish even a single minor regulatory measure. Japan's politics started with a clan-oriented bureaucratic cabinet, and we still see bureaucratic politics continuing in this land. It may well be said that bureaucrats have a grip on both the administrative and legislative bodies. Politicians have turned into bureaucrats' servants, and this is because they have obtained minor concessions from bureaucrats and consequently been manipulated by them. What enabled the existence of this paradise for bureaucrats is the medium-size constituency system enforced for 70 years. The election system was reformed because of the very feeling that a dynamic turnaround was necessary. Shinshinto must be aware of the historical significance of the perception that party politics is now about to begin in Japan for the first time.

#### **Japan: FY95 Employment Insurance Falls Into Red Again**

*OW2507122096 Tokyo KYODO in English  
1137 GMT 25 Jul 96*

[FBIS Transcribed Text] Tokyo, July 25 KYODO — The government employment insurance program is expected to have fallen into the red in fiscal 1995 for the second consecutive year, reflecting the tough job market, Labor Ministry officials said Thursday.

The deficit is estimated at hundreds of billions of yen, but the exact figure will not be known until accounts are settled this fall, the officials said.

Employment insurance, which was introduced in fiscal 1975, is financed by premiums put up by employers and employees on an equal footing as well as by government subsidies, and is paid to the unemployed for up to 300 days. It showed a loss of 19.9 billion yen in fiscal 1994 that ended in March 1995.

The expected deficit in fiscal 1995 results from cuts in the rate of premiums in fiscal 1991 and 1992, which, coupled with the slowed growth in wages, reduced premiums paid to the government's employment account

to 1,227 billion yen in fiscal 1994, down from 1,566.2 billion yen in fiscal 1991, the officials said.

In addition, insurance payments grew to 1,580.6 billion yen in fiscal 1994 from 898 billion yen in fiscal 1990 due to the rise in the number of jobless workers. The number of recipients averaged 837,000 in fiscal 1995, the highest since fiscal 1983.

With the employment situation remaining difficult, the insurance program may also fall into the red in fiscal 1996, to record its first three-year deficit since fiscal 1982-1984.

Ministry officials said that even if the employment insurance program stays in the red for some years, payments will not be affected as the employment account had reserves of as much as 4,732.8 billion yen at the end of fiscal 1994.

Nevertheless, the program is gradually starting to strain the state coffers, with government subsidies amounting to 290.7 billion yen in fiscal 1996, up 60 billion yen from fiscal 1990.

#### **Japan: Rice Growth Proves Relatively Poor in Eight Prefectures**

*OW2307094396 Tokyo KYODO in English  
0912 GMT 23 Jul 96*

[FBIS Transcribed Text] Tokyo, July 23 KYODO — Growth of the 1996 rice crop proved relatively poor in eight of Japan's 47 prefectures as of July 15 due to a lack of sunlight since mid-June and low temperatures in early July, the farm ministry announced Tuesday.

Thirty-eight prefectures found their rice growth normal for this time of year, while the growth was relatively better in Nagano Prefecture, central Japan, the Agriculture, Forestry and Fisheries Ministry said.

The weather determines how ears of rice fill out, a ministry official said. The ministry is worried about damage caused by typhoon No. 6 which hit the southwestern main island of Kyushu last Thursday after the latest rice growth survey, he added.

Rice growth was relatively poor in the northern main island of Hokkaido, the northeastern prefectures of Aomori, Akita, Iwate, Yamagata and Miyagi, Niigata Prefecture facing the Sea of Japan, and Fukuoka Prefecture in Kyushu.

The crop was four days slower than normal in Hokkaido, while the lag varied from one day to four days in 22 prefectures, including the five northeastern prefectures as well as Fukuoka and Saga Prefectures in Kyushu, the ministry said.

Meanwhile, rice growth was running one to three days ahead of the average in Nagano, Ehime in the western main island of Shikoku, and 11 other prefectures.

### Mongolia

#### Mongolia: New Government Reduced to Nine Ministries

*LD2607100596 Moscow ITAR-TASS World Service in Russian 0629 GMT 26 Jul 96*

[ITAR-TASS correspondent Kim Boldokhonov]

[FBIS Translated Text] Ulan-Bator, 26 July — The new Mongolian Government will consist of nine ministries instead of 15. The People's Great Hural amended the Law on the Cabinet of Ministers in accordance with the draft submitted by the prime minister the day before.

Three ministries — the Finance Ministry, Ministry of Foreign Affairs and Justice Ministry — have been granted statewide powers. Six ministries — the ministry of nature and environment, defense ministry, education ministry, ministry for the development of infrastructure, ministry of agriculture and industry and the ministry of health and social welfare are sectoral bodies. The members of the new government are to be submitted for parliament's approval in the next few days.

The purpose of this innovation is to create an optimal government structure, eliminate duplication of some executive bodies and multiple links and enhance the responsibility of state apparatus officials.

### North Korea

#### DPRK: CILRECO Presidium Urges Dissolution of UN Command

*SK2507033496 Pyongyang KCNA in English 0203 GMT 25 Jul 96*

[“Dissolution of ‘U.N. Command’ Urged” — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — The presidium of the International Liaison Committee for Reunification and Peace in Korea (CILRECO) sent a letter on July 17 to the heads of state and government of the countries which dispatched “U.N. Forces”, urging them to take a step to dissolve the “U.N. Command” in South Korea.

In the letter, the presidium of CILRECO, an organisation of international solidarity which includes political and public figures of various countries, expressed the belief that the governments of countries concerned will remove the remnants of the cold war still remaining on the Korean peninsula and ensure the peaceful reunification of Korea and detente in this region.

The letter said that the existence of the “U.N. Command” in South Korea has no legal basis in view of international law and that two resolutions calling for its dissolution were adopted at the 30th session of the U.N. General Assembly in 1975.

The letter noted:

The CILRECO presidium considers that the government of the Democratic People's Republic of Korea put forward different concrete proposals and initiatives to realize detente, disarmament and denuclearization on the Korean peninsula, achieve a durable peace and create a favourable condition for the reunification of the country and, as a result, the conditions set forth by the U.S. side have been provided long before.

It is high time that the United States dissolved the “U.N. Command” and carried out the commitments it made twenty odd years ago and thereby removed the atmosphere of confrontation from Korea and opened a new prospect for peace and reunification, we consider. Noting with appreciation that your governments which dispatched troops to the Korean front as U.N. Forces during the Korean war have recalled the troops long before, we regret that the continued existence of the flags of your countries at Panmunjom is in fact a patronage and recognition of the ghostly existence of the “U.N. Command”, an appendage of the U.S.-South Korea “Combined Forces Command”.

The presidium of CILRECO expresses the hope that your governments will pay due attention to this letter and take a proper step to achieve detente and peace in Korea and create a favourable condition for the peaceful [as received]

#### DPRK: UN Forces Command in ROK Called Illegal

*SK2507150396 Pyongyang Korean Central Broadcasting Network in Korean 0747 GMT 25 Jul 96*

[Unattributed talk: “The Illegal UN Forces Command Stationed in South Korea”]

[FBIS Translated Text] The U.S. Forces illegally stationed in South Korea for decades are shamelessly saying they are implementing international missions as UN Forces. As a matter of fact, however, the UN Forces and the UN Forces Command in South Korea were illegally fabricated by the United States, and their presence is completely illegal.

The United States is persistently attempting to describe the U.S. occupation forces in South Korea as UN Forces, and their command as a UN Forces Command. However, it is impossible to hide the unlawfulness

of this attempt. The UN Forces and the UN Forces Command mentioned by the United States are not based on any UN resolution, nor were they organized by the United Nations. The UN Forces and the UN Forces Command in South Korea are nothing but arbitrary names given by the U.S. imperialists to their forces of aggression that occupied South Korea.

The legal basis, organization, jurisdictional system, military activities, and all other countenances of the U.S. Forces in South Korea and their command show they are not UN Forces or a UN Forces Command. First, in light of their legal basis, the U.S. Forces and their command are not UN Forces or a UN Forces Command. The United States points to the UN Security Council [UNSC] Resolution 84-1950, which was adopted in an unjustifiable way on 7 July 1950, as a legal basis for its allegation that the U.S. occupation forces in South Korea and their command are UN Forces and a UN Forces Command. However, this cannot be a legal basis, because the resolution does not specify the organization of UN Forces or the establishment of a UN Forces Command; in particular, the resolution is not fair or legally established.

The resolution includes nothing about the organization of the UN Forces or the establishment of the UN Forces Command. (?Article 3) of Resolution 84-1950 has no wording about the organization of the UN Forces, their dispatch to South Korea, or the establishment of the UN Forces Command in South Korea. The UN Forces and the UN Forces Command stationed in South Korea since the beginning of the Korean war are names arbitrarily used by the United States and standing for the U.S. forces of aggression and the armed forces of its followers under U.S. control.

In addition, Resolution 84-1950 is a violation of the principle of decision based on unanimous consent by the permanent member nations of the UNSC. Therefore, the resolution is unlawful.

Next, the U.S. Forces in South Korea and their command share no common feature with UN Forces or a UN Forces Command in any aspect, including their organization, jurisdictional system, and military operations. The UN Charter clearly stipulates the principle of organizing UN Forces, their jurisdictional system, and operational methods. In order for a unit of armed forces participating in certain military operations to be entitled to the position of UN Forces, it should be organized to thoroughly coincide with the regulations of the UN Charter, submit to the command system of the UN Forces, and carry out activities in conformance with the purpose of the United Nations.

The UN Forces in South Korea, however, were not organized based on the principle of organizing UN Forces which is stipulated by the UN Charter. Also, the jurisdictional system of the UN Forces in South Korea is fundamentally different from the UN Forces' jurisdictional system specified by the UN Charter. Not only during the entire period of the Korean war but until today, the U.S. Forces and the armed forces of countries that follow the United States have been under the control of U.S. military circles and the command of the U.S. Forces commander, not under the control of the Military Staff Committee composed of the chiefs of staff of UNSC permanent member nations.

The UN Forces, which participated in the Korean war, conducted military acts counter to the demand of the UN Charter, which includes no terms allowing UN Forces to stand on either side of two opponents in dispute and to attack the other side. However, the U.S. troops committed to the Korean war, wearing the caps of UN Forces, extensively attacked the northern half of the Republic on the side of the puppet Syngman Rhee.

The Americans themselves have admitted that the U.S. Forces in South Korea are not UN Forces, but U.S. Forces that have nothing to do with UN Forces. The world has also recognized it. Clark, who was the UN Forces commander at the end of the Korean war, confessed in an interview on 20 March 1967: I was the commander of the UN Forces stationed in Korea, but I do not remember any direction I received from the United Nations during the war.

When the 30th UN General Assembly adopted a resolution on dissolving the UN Forces Command and withdrawing all foreign troops stationed in South Korea under the banner of the United Nations, thus creating a situation where the United States could no longer disguise its forces of aggression as UN Forces, the United States acknowledged that the troops stationed in South Korea were not UN troops, but U.S. troops. The United Nations also confirmed that the so-called UN Forces and UN Forces Command in South Korea have nothing to do with the United Nations.

These facts clearly prove that the U.S. occupation forces in South Korea are not UN Forces, and that their command is not a UN Forces Command. The existence of UN Forces and the UN Forces Command in South Korea is a great obstacle to guaranteeing peace and security on the Korean peninsula. The U.S. Forces conducted all sorts of aggressive maneuvers against our country in the past, and today the UN Forces Command is only playing a role to actively protect the war provocation and arms buildup maneuvers by

the United States and the South Korean puppets on the Korean peninsula.

The desperate U.S. attempt to describe the U.S. occupation forces in South Korea as UN Forces and the command of its forces in South Korea as a UN Forces Command is aimed at justifying the past doings by U.S. Forces, which committed aggressions and crimes wearing the caps of UN Forces, as well as avoiding their withdrawal from South Korea.

The matter of dissolving the UN Forces Command in South Korea and the matter of withdrawing U.S. Forces from South Korea cannot be separated. The United States should not allege that the U.S. Forces and U.S. Forces Command in South Korea are UN Forces and a UN Forces Command, but should disband and withdraw them as soon as possible.

**DPRK: 'Impure Elements' of West Told to 'Mind Their Own Business'**

*SK2607100896 Pyongyang KCNA in English  
0945 GMT 26 Jul 96*

[Idle 'Fear' — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The western world, a "free world which cannot live even a moment without worries, weights itself with care of its own making. [no end quotation mark as received]

This is illustrated by the fact that impure elements of the western countries are raising a hue and cry over our temporary difficulties, including food problem caused by natural disaster, describing as "plane out of order" and "soft-landing".

It reminds the people of the pot calling the kettle black.

The fear can be done only by those ignorant of our social system and its present and future.

They, therefore, should have a good knowledge of our social system and its realities before anything else.

For our system and our people united around the party and the leader in one mind, the temporary difficulties are out of the question.

Ours is a people who won in the hard-fought three-year-long fatherland liberation war to defend their system and who have built a powerful country, independent, self-sustaining in the economy and self-reliant in national defence, on the debris after the war.

The Korean people and the progressive people of the world believe that the anthropocentric socialism of Korean style will make a long drive.

This is an undeniable fact, the history of our people and our system.

It is ridiculous to turn aside from such a historic fact and realities and expect that there will be "a change" in our social system.

Our system has had nothing wrong for scores of years in the past and it will make a long drive.

By talking about the "troubled plane" and "soft-landing" the west seeks to distort the realities of the Democratic People's Republic of Korea which is advancing under the uplifted banner of socialism and to realise their "strategy for peaceful transition". The ostrich egg policy does not work on the DPRK at all.

The "plane" on their lips is flying safely along its own course and will, no doubt, arrive at its destination. It will not fall down like Boeing-747 of the Trans World Airlines Inc. (TWA) which dove into the Atlantic Ocean. They do not need to worry about the matter across the Pacific Ocean.

We have something to tell them.

They should no longer worry themselves about other's affairs, but mind their own business.

**DPRK: Kim Yong-sam's Talk With U.S. Forces Commander Decried**

*SK2607092996 Pyongyang KCNA in English  
0900 GMT 26 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The traitor Kim Yong-sam on July 24 invited the new commander of the U.S. forces present in South Korea to "Chongwadae" [presidential offices] and prattled again that the South Korean puppet army and the U.S. troops must keep "perfect defence readiness" to cope with "military provocation by the north."

This openly reveals that he intends to attain his ulterior design of "unification by prevailing over communism" by unleashing a war against the North at any cost with the backing of the bellicose forces of the United States.

The Kim Yong-sam group, hell-bent on unleashing a war against the North, are subordinating everything to the perfection of war preparations and bringing the situation to the phase of extreme tension.

All facts show that "inter-Korean dialogue" on the lips of the traitor Kim Yong-sam is a hypocrisy to cover up their war moves and with him left intact the nation cannot escape the holocaust of war.

It is a big miscalculation if he thinks that he can survive a war.

Our people and the People's Army are sharply following the reckless moves of the Kim Yong-sam group, who

are watching for a chance to invade the North with the backing of bellicose forces of the United States.

**DPRK: Farm Manager Urges ROK To Stop 'War Exercise Commotions'**

*SK2507122096 Pyongyang Korean Central Broadcasting Network in Korean  
0755 GMT 24 July 96*

[Speech by Chang Myong-sik, vice chairman of the Management Committee of Hwajin Cooperative Farm in Pyongwon County: "South Korean Puppets Should Immediately Stop War Exercise Commotions" — recorded]

[FBIS Translated Text] The hearts of our agricultural workers at this moment are burning with antagonism and abhorrence against the Kim Yong-sam puppet clique, which ferociously executes war maneuvers against the northern half of the Republic every day. The South Korean puppets, who have been carrying out huge-scale war exercises incessantly since the beginning of this year in collusion with the U.S. imperialist warmongers, carried out another provocative joint aerial war drill aimed at a surprise attack on major strategic targets in the center of the northern half of the Republic. Also, they egged on a war mood by firing several gunshots with [words indistinct] around the Military Demarcation Line. When we heard this news through the media, we all were determined to teach them a lesson. Really, the Kim Yong-sam ring is all the more engaged in war exercise commotions to stir up a hornets' nest of fratricidal war, running counter to the national desire for peaceful national reunification. This is a deliberate and planned provocation to aggravate tensions on the Korean peninsula, and it cannot be overlooked. How dangerous the situation on Korean peninsula has become due to the reckless new war provocation maneuvers by the belligerent U.S. military quarters [hojonjogin mingunbu kyechung] and the South Korean puppets!

All the people in the North and South earnestly hope that the military tensions on the Korean peninsula are dissolved as soon as possible and that a new phase for peace and peaceful reunification is opened. If the Kim Yong-sam ring really has an iota of national conscience and a will for peace and peaceful reunification, they should feel responsible for the grave situation reminiscent of the eve of war and should abandon those criminal acts immediately.

Far from doing this, however, the Kim Yong-sam ring is running amuck, worsening the situation by engaging in a dangerous playing with fire more prevalently than ever. This clearly shows that the Kim Yong-sam ring is trying to find a way out of the ruinous

crisis in provoking a war of northward invasion. The Kim Yong-sam ring — which would not hesitate in driving the people into a nuclear disaster just for its own prosperity, honor, and power, regardless of the fate of the country and the nation — is a group of peerless war maniacs and national traitors. We are all aware of the fact that the nation cannot sleep soundly with war maniacs like the Kim Yong-sam ring as they are. Those who enjoy playing with fire will be burned to death. The U.S. imperialists and the South Korean puppets should look squarely at reality and not behave rashly or thoughtlessly. By any chance, if the Kim Yong-sam ring turns away our repeated warnings and dares to touch any portion of land or a blade of grass, our agricultural workers will rise up together with the heroic Korean People's Army and present the bastards with atrocious death. We, agricultural workers, are full of resolution to actively contribute to enriching our country, our fatherland, by more vigorously carrying out the struggle to increase grain production with the thought of exterminating the enemies.

**DPRK: ROK President's Remarks on Defense Posture Decried**

*SK2607112796 Pyongyang Korean Central Broadcasting Network in Korean  
1223 GMT 25 Jul 96*

[Commentary by Kim Ho-sam: "Flunkeyist Traitor's Shameless Words and Deeds"]

[FBIS Translated Text] There is a saying that nothing but poison can be expected from a noxious snake. What the traitor Kim Yong-sam is doing these days is precisely like this.

According to a radio report from Seoul, on 24 July the traitor Kim Yong-sam met the new commander of the U.S. Forces in South Korea and babbled there that a firm and watertight U.S.-South Korean combined defense posture is needed in order to deter the North's military provocations and preserve peace. This reveals his dirty intention to realize the wild ambition for a northward invasion in collusion with outside forces.

Such hackneyed remarks by the traitor Kim Yong-sam cannot help but be gibberish that reverses black and white. Who on earth is committing military provocations?

Today, because of the United States' and South Korean puppets' act of systematically destroying the Armistice Agreement, the Military Demarcation Line (MDL) and the DMZ have been turned into an attack starting point for aggression against the North and into a completely armed zone, and military provocations against our

Republic have been frequently perpetrated in this area. This is a well-known fact.

Speaking of recent facts alone, on 22 and 23 July the South Korean puppets forward deployed numerous military troops in the area along the MDL to conduct a war exercise against us.

At around 1030 [local] on 22 July, the puppets forward deployed 700-odd fully armed bandits of the puppet army in the frontline area of the east sector located at Myongho-ri, Kosong County, Kangwon Province, South Korea.

Around 0900 on the same day, and around 1400 on 23 July, the puppets introduced 130 military vehicles loading operational equipment into the area of [word indistinct], Chorwon County and Sonchang-ri, Kosong County, Kangwon Province, South Korea, and deployed operational equipment there, thereby creating an atmosphere of confrontation.

On 22 July, scores of the puppet army's tanks deployed in the area of (Punpa-ri), Paju City, Kyonggi Province, and launched an attack exercise in the direction of our side, firing some 50 tank shells. On 22 and 23 July, too, some armed bandits of the puppet army fired some 1,200 rounds of large-caliber machinegun and automatic rifle ammunition in the area of Paju City. Thus, the South Korean puppets got on our nerves.

The puppets' provocations were not limited to land. It was not long ago that eight battleships of the puppets infiltrated our territorial waters in an attempt to abduct our peaceful citizens. However, the battleships fled southward because of our side's strong countermeasures.

While perpetrating these provocations, the puppets are babbling about the North's military provocations and the like. This is indeed a shameless and brazen-faced act.

The traitor Kim Yong-sam is an expert at reversing black and white. The traitor Kim Yong-sam's babbling about a so-called firm and watertight defense posture in cooperation with the United States in order to preserve peace on the Korean peninsula and the like at this time is also sophistry which has bared his dirty colors as a flunkeyist traitor.

The biggest obstacle to peace and reunification on the Korean peninsula is none other than the occupation of South Korea by the U.S. Forces, which are 40,000 strong. This notwithstanding, the traitor Kim Yong-sam is talking about strengthening the defense posture through joint efforts between the U.S. Forces and the puppet army and the like. This shows that the rascal is the enemy of peace and reunification.

Today, 70 million fellow countrymen in the North, the South, and abroad are waging a vigorous march to achieve reconciliation and unity through great national unity, to drive out outside forces, and to provide a new phase for national reunification. Under such circumstances, the traitor Kim Yong-sam, far from joining such a trend of the times, is trying to destroy the country's peace and the nation's will for reunification by clinging to the U.S. imperialists. How can we pardon such a traitor?

All facts shows that the traitor Kim Yong-sam is a vicious splittist and a war maniac who is not interested in the country's peace and its peaceful reunification, and is seeking only confrontation and war.

The four-way talks and North-South dialogue that the rascal is clamoring about is all a false trumpet [honnabal], and this is nothing but a means [pangpyon] designed to justify his policy of war.

The traitor Kim Yong-sam is a bitter enemy who should be expelled from the nation. The South Korean people will sternly punish in the name of the nation the traitor Kim Yong-sam, who has committed all sorts of crimes before the nation that will put him in the trash can of history.

#### DPRK: Meeting Held To Welcome ROK Defector Kim Yang-ki

*SK2507104896 Pyongyang KCNA in English  
0929 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — A Pyongyang mass meeting was held on July 25 to welcome South Korean Kim Yang-ki who came over to the North some time ago.

Hailing from Posong County, South Cholla Province of South Korea, he, 58, worked as manager of "Hosan Industry" before coming over to the North.

Order of the DPRK, prize and souvenirs were given to the defector.

Sin An-pang, vice-chairman of the Pyongyang Municipal Administrative and Economic Committee, in his address warmly welcomed in the name of the Pyongyangites Kim Yang-ki, who defected to the socialist motherland, determinedly breaking with the corrupt and malignant society of South Korea in which flunkeyism and treachery, fascism and plots are prevalent.

The speaker expressed the belief that Kim Yang-ki would be loyal and filial to the great leader General Kim Chong-il, who is the protector of the destinies and future of the Korean people.

In his reply address, Kim Yang-ki said that he extended the warmest thanks to the great leader General Kim Chong-il with feelings of deep respect and reverence for offering an opportunity to start a new life and for showing unbounded loving care including a high state order and a colossal amount of prize.

"I had come to deeply realise the good politics of General Kim Il-song from the proud looks of People's Army soldiers staying in my village during the fatherland liberation war which started on June 25, 1950," the speaker said, adding: "Up to date, these feelings have been kept in my heart and I ardently longed for the day when his good favour would reach all parts of Korea, North and South."

"Witnessing the people in the North making a powerful advance in singlehearted unity around the respected General Kim Chong-il toward the future and the children growing up stoutly, I have firmly believed again that the future of a reunified country lies in the North," he said.

Pointing out that South Korea has no future, the speaker said:

"It is none other than South Korean people who are undergoing sufferings owing to Kim Yong-sam, who commits only evil deeds for his own wealth and rank. Poor are the South Korean children who have no future."

He noted that in South Korea, children are considered to be a source of social troubles and misfortunes owing to the corrupt politics of Kim Yong-sam.

He evinced his determination to uphold the respected General Kim Chong-il with loyalty and devote himself to national reunification.

#### DPRK: Report on Trial of Chon Tu-hwan, No Tae-u Cited

SK2607054396 Pyongyang KCNA in English  
0435 GMT 26 Jul 96

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — It was brought to light again at a trial of the traitors Chon Tu-hwan and No Tae-u held on July 22 that the May 18, 1980 incident took place on the direct order of Chon Tu-hwan, according to a report.

Kwon Chong-tal, a close attendant to Chon Tu-hwan in 1980, said at an examination of witnesses that he formulated a "plan for saving the situation" and gave it to Chon on the order of the latter and that No Tae-u, Yu Hak-song and staff officers of the "Defence Security Command" were closeted together to discuss the extension of "Emergency Martial Law," dissolution of the "National Assembly" and institution of the

"emergency measure committee for defending the state" in order to establish a fascist dictatorial system.

And he said that Chon, No and other new military bosses could take office by realising the criminal "plan for saving the situation".

#### DPRK: ROK Condemned for Treating Chon, No 'With Courtesy'

SK2607055096 Pyongyang KCNA in English  
0450 GMT 26 Jul 96

[ "Kim Yong-sam Group Denounced for Protecting Murderers" — KCNA headline ]

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — NODONG SINMUN today comes out with a commentary denouncing the Kim Yong-sam group for treating with courtesy the main culprits who killed thousands of people mercilessly.

Traitors Chon Tu-hwan and No Tae-u, the main culprits of the Kwangju massacre, live in clover even in prison, receiving 1.8 million won of "expenses for honorable treatment of ex-president" on a daily average. The money disbursed for them in the period from the end of last year when they were detained to last June amounts to 320 million won, the commentary says, and continues:

This is a mockery of those who were murdered in Kwangju and a challenge to South Korean people who call for the immediate punishment of the main culprits of the massacre.

The Kim Yong-sam group treat the traitors Chon and No preferentially because their relations with them are inseparable.

The traitor Kim Yong-sam under "civilian" veil is undoubtedly a fascist tyrant and is closely linked with Chon and No as an accomplice of the "secret fund scandal."

He took over the baton of the fascist repressive rule from the military dictators of the "Fifth and Sixth Republics" and has become the "president of South Korea" with the help of an astronomical amount of secret fund handed by them. So, he joined hands with them to keep his dirty career in darkness forever.

This is amply illustrated by the fact that when Chon Tu-hwan was in a hunger strike in protest against "his trial", the Kim Yong-sam group supplied high-priced nutritions to him in secrecy and released some persons involved in the December 12 military coup and the May 18 incident by making a decision on "suspension of execution of their detainment".

The traitor Kim Yong-sam is in the same boat with Chon Tu-hwan and No Tae-u, and he is a special-class criminal who must be punished together with them.

#### **DPRK: Japan Denounced for 'Negating' Crimes on Comfort Women**

*SK2607053496 Pyongyang KCNA in English  
0432 GMT 26 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The Measure Council for the Volunteers Corps Problem of South Korea held a press conference on July 20, at which it denounced the Japanese Government authorities for avoiding state responsibility and compensation for the "comfort women for the Army" issue, according to a foreign news report.

Yun Chong-ok, co-chairperson of the organisation, said that the "Asian Peace National Fund for Women" decided to cogently send some money to the former "comfort women for the Army." She added that "we will never receive it".

She urged the Japanese Government to make an apology and compensation with legal responsibility and probe the truth.

She accused the Japanese Government of negating the past crimes of the Japanese imperialists toward the "comfort women for the Army" from the beginning.

She continued: The Japanese prime minister is going to send "letters containing apology and reflection", which "is aimed at having the victims make a call no longer". She branded him as a "typical character of militarism."

#### **DPRK: Nampo Delegation Departs for PRC; Japan Delegations Arrive**

*SK2507034196 Pyongyang KCNA in English  
0259 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — A friendship delegation of Nampo Municipality led by Pang Yong-tok, chairman of the Nampo Municipal Administrative and Economic Committee, left here Wednesday [24 July] to visit China.

A delegation of education officials of the General Association of Korean Residents in Japan (Chongnyon) led by Kim Sun-chol, a section chief of the Chongnyon Central Standing Committee, a delegation of moviemen of Chongnyon led by Yo Un-kak, director of the Chongnyon Film Studio, a delegation of Korean students in Japan, a home-visiting group of students of Choson University of Chongnyon and the 268th home-visiting group of Koreans in Japan arrived in Wonsan on the same day by the ship Mangyongbong-92.

#### **DPRK: Korean Delegates From Japan Visit Kim Il-song Statue**

*SK2607054996 Pyongyang KCNA in English  
0437 GMT 26 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — A delegation of education officials of the General Association of Korean Residents in Japan (Chongnyon), a delegation of Korean youth and students in Japan, a home-visiting group of students of Choson University of Chongnyon and the 268th home-visiting group of Koreans in Japan laid floral baskets and bouquets before the statue of the great leader President Kim Il-song on Mansu Hill and paid respects to him on July 25.

On July 24 a delegation of moviemen of Chongnyon laid bouquets and made a bow before his statue.

#### **DPRK Foreign Ministry Spokesman on Normalizing Ties With Japan**

*SK2607095396 Pyongyang KCNA in English  
0939 GMT 26 Jul 96*

[DPRK Foreign Ministry Spokesman on Normalization of Ties With Japan" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The spokesman for the Foreign Ministry of the Democratic People's Republic of Korea was interviewed by KCNA today over the Japanese authorities' latest position concerning the issue of the normalization of the DPRK-Japan relations.

He said:

Recently, Japanese government officials have made unreasonable remarks regarding the resumption of talks for opening diplomatic ties between the DPRK and Japan.

They have raised the resumption of inter-Korean dialogue and "four-way talks" as preconditions for the normalization of bilateral relations. They are openly saying Japan cannot but deal with the issue, "keeping in close touch with South Korea."

Their remarks indicate that they have an insincere position towards the issue and are going to take an anachronistic choice, unaware of Japan's responsibility for history.

The bilateral relations can be improved only when the issue is resolved in the interests of the two peoples. It is not what the Japanese authorities give to the DPRK.

If the Japanese authorities do not hope for the normalization of relations with the DPRK, we feel it unnecessary to improve ties with Japan, either.

We have lived without diplomatic ties with Japan and can do so as ever.

If they intend to use the issue for the purpose of stifling our system in concert with the South Korean authorities, motivated by the design of "soft landing", they are seriously mistaken.

We have no intention to beg the normalization of the bilateral ties from them. As long as they continue dancing to others' tune in the issue of DPRK-Japan relations, calling for "four-way talks" and "resumption of inter-Korean dialogue", no progress can be expected in the issue.

But they should know that the normalization of the bilateral relations and the settlement of the past are different things.

Though more than half a century has passed since the end of World War II, Japan has refused to atone for the immeasurable sufferings it imposed on the Korean people in the past.

It is up to the Japanese authorities whether to improve relations with the DPRK or not. But the settlement of the past is what Japan, the wrongdoer, is bound to do for the Korean people and a legal obligation it can neither avoid nor delay.

If they try to delay the settlement of the past under the pretext of the establishment of diplomatic ties, Japan's crimes will be further enlarged. And it will have to pay more for them and our people's resentment against Japan will become bitterer.

The Japanese authorities must clearly know that our people will never tolerate the Japanese imperialists' crimes against them and make Japan pay dearly for the indelible crimes without fail.

Their considering the settlement of the past to be a "benefit" it gives to our people is an unbearable insult to them.

The Japanese authorities must know their place in relations with us and mind their p's and q's. We are keeping a close eye on them.

#### DPRK Paper Denounces Japan's 'White Paper on Defence'

SK2607044896 Pyongyang KCNA in English  
0429 GMT 26 Jul 96

[**"NODONG SINMUN Berates Japan for Anti-DPRK Campaign"** — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The Japanese reactionaries, in the 1996 edition of "White Paper on Defence", described the Democratic

People's Republic of Korea as a "factor of instability", persistently charging it with the "nuclear and missile problems".

In a commentary NODONG SINMUN today views it as a preposterous, illogical charge.

By describing the DPRK as a "factor of instability", they are seeking to divert worldwide caution elsewhere from them and find a pretext of converting Japan into a military power equipped with nuclear arms, the daily says, and continues:

The factor of instability in East Asia is none other than Japan. It is illustrated well by the new edition of the "White Paper on Defence."

In the "defence" document the Japanese reactionaries specified the necessity to expand the activities of the "Self-Defence Forces [SDF]". To this end, they are crying for "activities for searching and rescuing refugees", "transport of Japanese abroad", etc. This implies that Japan's "SDF" may engage in military activities any time in any region under any pretext.

The first target of their military activities abroad is the DPRK.

They intend to mold world opinion that the DPRK is a "very dangerous country on the blacklist" and carry into practice the scenario of aggression on Korea. This is why they are calling the DPRK a "serious factor of instability in ensuring security in the whole of East Asia". In actuality, they are now watching for a chance to reinvoke Korea.

Slandering and harming others in a far-fetched way is the old practice and method of the Japanese aggression forces.

The Japanese reactionaries must give up the foolish design to convert Japan into a military power, a nuclear power, taking issue with others and stage a comeback to other nations.

#### DPRK Youth League on Aborted Japanese 'Peace Ship' Trip

SK2607084796 Pyongyang KCNA in English  
0706 GMT 26 Jul 96

[**"Letter to Japan 'Peace Ship' Executive Committee"** — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The Central Committee of the Kim Il-song Socialist Youth League sent a letter today to the executive committee of the Japan "Peace Ship" as the planned Korea visit of young Japanese by the "Peace Ship" was

made abortive by the Japanese NIHON KEIZAI SHIMBUN's vicious article abusing the exchange between young people of the two countries and insulting the DPRK.

The letter says:

Our young people can hardly repress their indignation at the news report abusing our bilateral exchange and insulting the DPRK carried in the NIHON KEIZAI SHIMBUN, timed to coincide with the unreasonable attempt of Japanese rightist reactionaries to distort the criminal history of Japanese imperialism against Korea and avoid reflection and with the continued brutal and inhumane violence against Korean students in Japan.

In this situation, unless the NIHON KEIZAI SHIMBUN publishes an official apology, it is hard to expect good results from a Korea visit of young Japanese by the "Peace Ship" even if it is realised.

Such things will recur if the intrigues to hinder the genuine friendship-oriented exchange between the young people of the two countries are connived at.

As you know, we accepted your proposal, out of a desire to realise clean and genuine exchange between the young people of the two countries who will shoulder the future, not to receive assistance from the young Japanese through the exchange with the "Peace Ship."

We believe that you will continue the righteous struggle to promote the relations between the young people of the two countries, though your planned visit to Korea has become abortive this time.

#### DPRK: PRC Spokesman Cited on Mideast Peace, Libyan Sanctions

*SK2407135696 Pyongyang Korean Central Broadcasting Network in Korean  
2100 GMT 22 Jul 96*

[FBIS Translated Text] According to a report, during a regular briefing held in Beijing on 18 July, the spokesman of the PRC Foreign Ministry said that the PRC will exert efforts with the international community so that a comprehensive and just peace will be realized in the Middle East as soon as possible.

He said that the process of peace in the Middle East is currently faced with a crisis, and emphasized that the PRC is consistently insisting that related sides must make efforts to resolve the Middle East issue through dialogue based on the principle of the UN resolution and from the principle of fostering the land and peace.

On the other hand, he appealed that sanctions against Libya be lifted. He said that the PRC always opposes sanctions against Libya and emphasizes and will always

maintain this position as well. He stressed that we support efforts by the Organization of African Unity and the Arab League to resolve the (Rakoba) issue peacefully.

#### DPRK Secretary Hwang Chang-yop Meets PRC Delegation

*SK2507081796 Pyongyang KCNA in English  
0428 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea [WPK], on Wednesday met the delegation of the Yanbian, Jilin Province, Korean nationality autonomous prefectoral committee of the Communist Party of China led by Su Rong, alternate member of the CPC Central Committee, member of the standing committee of the Jilin provincial party committee and secretary of the autonomous prefectoral party committee.

The head of the delegation told Hwang Chang-yop what impressed them most during the Korea visit was that the WPK has strengthened its leadership role and united people to wage a new struggle and all the party members and other people of Korea have risen to carry out the party's slogan and performed immortal exploits such as construction of the West Sea Barrage.

Korea educates young people by diverse forms and methods so that they can succeed socialism generation after generation, Su Rong noted, adding that it is an important example everyone should follow.

He laid stress on developing friendship and solidarity between China and Korea for all ages.

#### DPRK: Cambodia's Sihanouk Describes 'Deep-Rooted' Ties

*SK2507123496 Pyongyang KCNA in English  
0422 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — Cambodian King Norodom Sihanouk fully supported the Korean people in the efforts to build socialism and reunify the country under the wise leadership of his excellency Marshal Kim Chong-il, the respected, great leader, true to the behests of his excellency Generalissimo Kim Il-song, the leader of the Korean people and a distinguished great man.

The king, when he received the Korean ambassador on July 22, said that the friendship between Cambodia and Korea is a deep-rooted friendship with a very long history. Today this friendship has become steadfast one which cannot be destroyed by any political forces and the great friendship and the relations of mutual

support and encouragement between the two countries will continue developing forever, he noted.

He said that he was very grateful for the invariable support and encouragement always extended by Marshal Kim Chong-il, the respected supreme commander and a close friend, to the cause of independence, territorial integrity and rebuilding of Cambodia and expressed wholehearted thanks for this.

This invariable support gives me great strength and is of weighty importance, he added.

He said that Generalissimo Kim Il-song, the greatest leader, and Marshal Kim Chong-il supported and encouraged the Cambodian people's struggle for the independence of Cambodia invariably and persistently for a long period under any circumstances.

He noted that he and the queen will remember this favor and solicitude all their lives.

Norodom Sihanouk said he and the queen wholeheartedly hope Marshal Kim Chong-il, the closest friend, will enjoy a long life and good health and lead the Korean people to accomplishment of the cause of chuché.

#### DPRK Ambassador Pays Farewell Call on Iranian President

*SK2407135596 Pyongyang Korean Central Broadcasting Network in Korean  
1300 GMT 21 Jul 96*

[FBIS Translated Text] DPRK Ambassador (Choe Yong-no) paid a farewell call on Iranian President Akbar Hashemi-Rafsanjani on 17 July.

During the meeting, the ambassador conveyed the Great Leader [widaehan yongdoja] Comrade Kim Chong-il's greetings to President Akbar Hashemi-Rafsanjani. The president expressed deep gratitude, and asked the ambassador to convey his warm greetings to the Great Leader [widaehan yongdoja] Comrade Kim Chong-il.

The president pointed out as follows: We support the policy being carried out by His Excellency the Great Leader [widaehan yongdoja] Kim Chong-il. We are happy over the fact that even though His Excellency the Great Leader [widaehan suryong] Kim Il-song has passed away, great results are being achieved in Korea's revolution and construction under His Excellency Kim Chong-il's leadership. We hope that friendly and cooperative relations between the two countries of Iran and the DPRK will continue to further expand and develop in various sectors.

#### DPRK: Kim Yong-nam Attends DPRK-Syria Ties Anniversary Party

*SK2607055296 Pyongyang KCNA in English  
0444 GMT 26 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The Foreign Ministry of the Democratic People's Republic of Korea on July 25 gave a cocktail party on the occasion of the 30th anniversary of the establishment of diplomatic relations between the DPRK and the Syrian Arab Republic.

Anwar al-Fadel, charge d'affaires ad interim of the Syrian? Embassy here, embassy officials and Syrian students studying here were invited there.

Vice-premier and Foreign Minister Kim Yong-nam, Vice-minister of Foreign Affairs Choe Su-hon and other officials concerned were on hand.

#### DPRK: Kim Yong-nam, Syrian Minister Exchange Telegrams

*SK2507034896 Pyongyang KCNA in English  
0252 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — DPRK Foreign Minister Kim Yong-nam and his Syrian counterpart Faruq al-Shar' exchanged telegrams on the occasion of the 30th anniversary of the establishment of diplomatic relations between the DPRK and the Syrian Arab Republic.

Kim Yong-nam in his telegram said that over the past 30 years since the opening of diplomatic relations, the friendly and cooperative relations between Korea and Syria have been developed on good terms with each passing day in different domains under the particular care of the heads of state of the two countries.

"We extend full support and firm solidarity to the Syrian Arab people in their struggle to build a new prosperous society, retake the occupied Arab land including the Golan Heights and fairly solve the Mideast issue under the correct leadership of his excellency the respected President Hafiz al-Asad," he added.

Faruq al-Shar' in the telegram said that the friendly and cooperative relations between the two countries the foundation of which was laid by the two leaders, his excellency President Hafiz al-Asad and his excellency the great President Kim Il-song, have been developed under their wise leadership and the care of His Excellency Kim Chong-il.

He was firmly convinced that the cooperation between the two countries will be continuously strengthened and developed in all fields in conformity with the principle and idea of the two peoples.

**DPRK Papers Mark Anniversary of DPRK-Syria Relations**

*SK2507104496 Pyongyang KCNA in English  
0854 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — Papers here today dedicate articles to the 30th anniversary of the establishment of diplomatic relations between Korea and Syria.

The 30 years after the establishment of diplomatic relations are significant days during which the two peoples have constantly enhanced and developed the militant friendship and cooperation in a joint struggle against imperialism and dominationism, NODONG SINMUN says in a by-lined article.

It continues:

Over the past days, the Syrian people have undauntedly worked for safeguarding the national dignity and territorial integrity and for the development of the country under the correct leadership of the respected President Hafez Al Assad, in the teeth of the vicious anti-Syria moves of the imperialists and the Zionists.

Now Syria is endeavouring to find a comprehensive and fair solution to the mid-east problem, maintaining the "land-for-peace principle".

The Korean people highly appreciate and actively support the efforts made by the Syrian people for the country's territorial integrity and peace and stability in the mid-east region.

Strengthening and developing the Korea-Syria friendship is greatly conducive to giving impetus to the building of a new life of the two peoples and the cause of independence against imperialism.

MINJU CHOSON in a by-lined article expresses the conviction that the relations of friendship and cooperation between Korea and Syria would grow stronger day by day and wishes a greater success to the Syrian people in their efforts for building an independent and prosperous new society.

**DPRK: Hwang Chang-yop Meets Leader of Brazilian Group**

*SK2407134896 Pyongyang KCNA in English  
1119 GMT 24 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, today held talks with Antonio Paes De Andrade, chairman of the Brazilian Democratic Movement.

The two sides informed each other of the activities of their parties and exchanged views on the development of friendly relations between the two parties and the two countries and a series of matters of common concern.

**DPRK: Hwang Chang-yop, Brazilians Visit Kim Il-song Statue**

*SK2407032296 Pyongyang KCNA in English  
0238 GMT 24 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — Chairman of the Brazilian Democratic Movement Antonio Paes De Andrade and his companion on a visit to Korea laid a floral basket and made a bow before the statue of the great leader President Kim Il-song on Mansu Hill on Tuesday.

The chairman said that His Excellency the great leader President Kim Il-song built a most advantageous socialist system by wisely leading the bloody struggle for the independence of the country and the freedom of the people.

Present there was Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea.

**DPRK: Brazilian Delegates Pay Homage to Kim Il-song at Kumsusan**

*SK2507033996 Pyongyang KCNA in English  
0249 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — Antonio Paes de Andrade, chairman of the Brazilian Democratic Movement, and his companion on Wednesday [24 July] visited the Kumsusan Memorial Palace and paid homage to the great leader President Kim Il-song, who is preserved in state.

The chairman wrote in the visitor's book that the idea of the respected leader Comrade Kim Il-song on human liberation will shine long with the memorial palace.

**DPRK: Han Tong-hwan, Egyptian Envoy Attend Gathering**

*SK2507042496 Pyongyang KCNA in English  
0254 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — A friendship gathering took place at the Korea-Egypt Friendship Pyongyang Taedongmun Primary School on July 24 on the occasion of the 44th anniversary of the July 23 revolution, the national holiday of the Egyptian people.

Present there were Han Tong-hwan, vice-minister of general education and vice-chairman of the Korea-Egypt Friendship Association, and other officials concerned.

Egyptian Ambassador to Korea Hazem Mohamed Taher and embassy officials were invited.

The participants in the gathering laid bouquets before the statue of the great leader President Kim Il-song at the school and paid homage to him.

They went round educational facilities of the school and saw an art performance of its pupils.

**DPRK: Pak Song-chol, Kim Yong-nam Meet Egyptian Ambassador**

*SK2407134996 Pyongyang KCNA in English  
1117 GMT 24 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — Vice-President Pak Song-chol met and had a talk with Egyptian Ambassador to Korea Hazem Mohamed Taher, who paid a farewell call on him, at the Mansudae Assembly Hall today.

Vice-Premier and Foreign Minister Kim Yong-nam met the ambassador.

**DPRK: Kang Song-san Sends Greetings to Central African Premier**

*SK2407133796 Pyongyang KCNA in English  
0835 GMT 24 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — Kang Song-san, premier of the Administration Council of the Democratic People's Republic of Korea, sent a message of greetings to Jean-Paul Ngoupande upon his appointment as prime minister of Central Africa. [as received]

The message expressed the belief that the friendly and cooperative relations between the two countries would continue to develop on good terms, and wished him success in his new work.

**DPRK: Foreign Leaders Support Reunification, Peace Mechanism**

*SK2507085496 Pyongyang KCNA in English  
0829 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — Nepalese King Birendra Bir Bikram Shah Dev and Equatorial Guinean Prime Minister Angel Serafin Seriche Dougan [name as received] expressed invariable support and solidarity for the stand of the Democratic People's Republic of Korea to realize the reunification of the country when they met the DPRK ambassadors to their countries.

The Nepalese king said that it is the consistent policy of Nepal to support the peaceful reunification of the Korean peninsula, the national desire of the Korean

people. He wished the DPRK people great progress and prosperity.

The Equatorial Guinean prime minister expressed invariable support and solidarity for the stand of the DPRK to establish a new peace mechanism on the Korean peninsula and reunify the country through confederacy.

He paid respects to the Korean people in the struggle to accomplish the revolutionary cause of chuche, holding high the banner of socialism, the red flag, in singlehearted unity under the wise leadership of the great leader Comrade Kim Chong-il.

**DPRK Party Official Denies Foreign Media Starvation Reports**

*BK2407123596 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 24 Jul 96*

[FBIS Translated Text] As developing countries, Indonesia and North Korea share similar problems in economic development. Therefore, the spirit of cooperation between the two countries can be used to exchange national development experiences.

Harmoko, chairman of the Functional Group central executive board, said this in his talks with Wang Chang-yok, foreign relations secretary to the Korean Workers' Party, in Pyongyang yesterday. Harmoko added despite ideological differences, cooperation between the two ruling parties can still be enhanced for the benefit of the peoples of the two countries.

Wang Chang-yok admitted that North Korea is facing economic difficulties and food supply problems. However, he dismissed foreign press reports to the effect that many people in North Korea are dying of starvation. Harmoko and several Functional Group executives are visiting Pyongyang at the invitation of the ruling Korean Workers' Party.

**DPRK: Increase in Production of Consumer Goods Reported**

*SK2507033196 Pyongyang KCNA in English  
0206 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — Large quantities of consumer goods have been produced at local industrial factories of Korea nowadays.

Factories in Chagang Province have produced 1.3 times more consumer goods than before, according to available data.

Chunggang County makes the effective use of raw materials and reserves of the county to produce 30 odd kinds of delicious and good nutritious foods such

as soy, bean-paste, oil, cake and refreshments in large quantities.

Liwon Chemical Factory, which has overfulfilled monthly plans this year, is increasing the production of goods by 30 percent these days. The factory produces over 20 kinds of products including useful and graceful vinyl mat and vinyl kitchenware.

Meanwhile, production of consumer goods is on the increase at local industrial factories in Changyon County, South Hwanghae Province, in Sakju and Changsong Counties, North Phyongan Province, and at Kaechon Export Garment Factory, South Phyongan Province.

**DPRK: 'Absolute Trust' in Kim Chong-il Praised**

*SK2507121096 Pyongyang Korean Central Broadcasting Network in Korean  
2220 GMT 22 Jul 96*

[Unattributed talk: "We Live Believing Only in the Great General" — the talk begins with a chorus of female singers singing "We Live Believing Only in the Great General"; the song, along with other unidentified orchestral music, are heard as background music throughout the talk]

[FBIS Translated Text] Amid feelings of absolute trust in the respected and beloved general that increase each day, the song "We Live Believing in Him as in Heaven" is shaking rivers and mountains.

The song "We Live Believing in Him as in Heaven" is filled with the ardent faith and will of the people to live believing only in the respected and beloved General Kim Chong-il, no matter how many years go by.

Amid today's serious situation in which we face many difficulties [tanhago simgakhan onului chongse sogeno], how can our people brilliantly live every moment of today for tomorrow while loudly singing such a song of loyalty?

People are enchanted by a great man, and are prompted by a noble sense of being enchanted by his human nature before his ideas, philosophy, and career.

Even if one's political philosophy is excellent, one cannot be successful in politics, nor can one win the hearts of all the people, if one's human nature is not noble.

We are filled with a sense of endless happiness for, and take great pride in, upholding the matchlessly great man with single-hearted loyalty.

The respected and beloved Comrade Kim Chong-il is the only mental pillar whom we can entrust with all our destiny and future during such a time of trials

in which we face as many vicissitudes as we do today [kokchol manun onulgwa kattun siryonui sigie unmyongdo miraedo ta makkigo salsa innun yuilhan maumui kidungisigo haengbogui suhojaisida]. He is the defender of our happiness.

Being enchanted by the respected and beloved general for his great human traits, our people live by believing only in him as in heaven.

It is not at all simple for a man to absolutely trust and respect another man. Then where does such absolute trust and a sense of absolute worship, which are unprecedented in history, have their origin?

Our people called Comrade Kim Chong-il the dear comrade leader from a long time ago, and have totally entrusted the general with our destiny in times of glory and in times of trial. Our people vigorously advanced along the single road of loyalty in firm unity around the general with one mind and one intention.

The sense of such ardent loyalty by the people is becoming more solid and firm as the days and years pass.

The greatest desire of our people in the past, today, and in the future is the only one intent to hold in high esteem the fatherly leader and the respected and beloved general forever, and to loyally uphold them.

The great general enjoys the admiration and respect of all people because he provided lofty harmony and perfect unity [sungohan honyon ilche] between the leader [suryong] and the people through his unprecedented loyalty and filial piety when the fatherly leader was alive. Since the leader [suryongnim] regrettably passed away, the great general put forward as a historic mission to resolve at the highest level the people's ardent desire to uphold the leader [suryongnim] forever.

By directing all his efforts, day and night, the respected and beloved general saw to it that the Kumsusan Memorial Palace, where our leader [suryongnim] is to be laid in state forever, be built as the only supreme sacred site of chuche in the world and as the holy ground of the sun. Thus, he enabled the people to be with the leader forever. At that time, the people extended greetings of genuine boundless thanks to him in succession.

Our respected and beloved general glorified the achievements of our leader [suryongnim], the founder of the chuche idea, by making the beacon fire of the Tower of Chuche Idea, the only monument built in the world to symbolize this ideology, blaze more fiercely. He also put forward the slogan of faith on strengthening and developing the glorious Workers Party of Korea [WPK] into

the party of Comrade Kim Il-song forever. He made the Korean youth movement luminous forever along with the name of Comrade Kim Il-song. Thus, the people's trust in the respected and beloved general has increased a hundred-fold and a thousand-fold.

All this was the ardent desire of all of our people, who are faithful sons and daughters of the fatherly leader. Our people keenly realized that all of their desires have been achieved one by one, and that as long as there is the respected and beloved general, the fatherly leader lives forever with the people and the fatherly leader's behest is to be brilliantly achieved. They also realized that as long as there is the respected and beloved general, the sacred chuche revolutionary cause will win victory without fail as our leader [suryongnim] wished, no matter how many times the world may change.

With this iron-clad faith and will, our people absolutely trust only in the respected and beloved general and follow him.

Indeed, for our people, the respected and beloved Comrade Kim Chong-il means all of our destiny and future, and heaven. [chamuro uri inminege isoso kyongacha-nun kim chong-il tongjinun unmyonggwa miraeui chon-buisimyo hanurisida]

In the history of our revolution, which traversed the course of a heroic epic, there was no time as today, when trust in the leader [yongdoja] filled the heaven and the land.

Reflecting such absolute trust and will, the great leader Comrade Kim Il-song has taught: Comrade [tongmu] Kim Chong-il is the future of Korea and the destiny of the Korean revolution.

Embracing Korea's present and its brilliant future, the respected and beloved Comrade Kim Chong-il is protecting the people's destiny and pioneering the road of victory and glory.

When history was recording painful miserable tragedies filled with people's wailing in some countries, people deprived of the leader, the party, and socialism on single morning and who were exposed in a cold windy field because of the sweeping violent wind of imperialism, he was the great defender who protected our people from the storm and cold wind.

If there were no respected and beloved general for our people, who suffered a heart-breaking sorrow, how would the destiny of all of us turn out after all?

The more a sense of trust in the respected and beloved general increases, the more solid the belief our people cherish that if only there is the general, we can live, no

matter how many times the world may be destroyed, thus overflowing with deep emotion.

The respected and beloved Comrade Kim Chong-il — the respected and beloved general whom our people absolutely trust and follow — is not only the mental pillar who understands all the people's aspirations and desires and resolves all of them, but he is also the genuine defender of destiny who takes responsibility for and protects the destiny of each of us individual persons.

The people described the survival from the great flooding, which came unexpectedly, as a miracle. However, our people could overcome violence of nature [chayonui hoengpo] thanks to the respected and beloved general, the defender of our destiny, not to any miracle.

Last year, unprecedented great flooding swept our country. With the heightened water level of Yalu River, areas in the lower reaches of the river began to get flooded. However, no one was boisterous in an attempt to survive. The thought that as long as there is the respected and beloved general, how would they be worried about this was taking place deep in their hearts.

They actually saw their belief soon put into practice. The Army, Navy, and Air Force of the Korean People's Army [KPA] rushed to the flooded areas. Helicopters were flying in the skies, and high-speed marine transport vessels and amphibious cars ran on the water. Thus, operations, three-dimensional both in name and reality, were carried out.

The hearts of the soldiers personally sent by the respected and beloved general were filled with the general's intention that not even a single life should be sacrificed.

The respected and beloved general commanded the rescue combat, remaining awake all night. By becoming the father who dammed up himself the great flooding threatening his sons, the general commanded the rescue combat day and night, and finally ensured that there was not a single victim.

Thinking of flood victims, the respected and beloved general forgot to eat and sleep. With great concern about those who exposed to cold after losing their homes and all their property and about whether they could eat a hot meal, the respected and beloved general handed down the heartwarming instruction to central and local organizations to take good care of flood victims so that their lives could be stabilized soon.

Not satisfied with this, our general sent a number of cargo trucks filled with clothes, shoes, kitchen utensils, daily necessities, and food to them.

The people, coming out to the site, caressed the rescue materials full of love from the respected and beloved general, and sobbed with deep emotion, their faces buried in the materials.

They exclaimed: The respected and beloved general, you, the general, rescued our lives in the face of death. We cannot live without the general. We live believing only in the general like in heaven.

Recorded in history are a number of politicians and great men who loved the people and devoted everything to them.

However, the leader, who protected the people by personally becoming the shield to safeguard the people's destiny, is only our respected and beloved general.

The great defender, who put forward the people as the great existence and who never tolerates an act of taking the people's lives, is our very respected and beloved general.

Indeed, the respected and beloved Comrade Kim Jong-il was born to the world protect the people's destiny. He is the sun of all of us and the savior of the world, who devotes every moment of his time to warmly looking after the people.

Since the respected and beloved general shares joys and sorrows with the people, not knowing even an inch of distance, his image is always deeply cherished by people visiting the Mansudae Hill amid their yearning for and sense of missing the fatherly leader.

The respected and beloved leader said: I am deeply moved to see the people with their tenacious revolutionary spirit, that they are contented with the revolution as long as it is being carried out, even while eating corn food and soybean soup. I am also deeply impressed by the people, who keep an etiquette and moral obligation toward their leader [suryong] with firm moral traits. We should take great pride in this forever.

Even while he is suffering immeasurable sorrow himself, he thinks of the pains of the people first, before he thinks of his own. He is indeed a great man. This great man is protecting our destiny and bringing into bloom the future of the fatherland.

Is there any other country in history where each individual's destiny was protected by his leader [suryong], and where the leader and people shared their destiny? This special community that shares a destiny [tukpyolhan unmyong kongdongche] gave birth to letters of loyalty and to reply letters overflowing with trust and love.

Matters concerning one's personal life and home affairs, as well as matters regarding national affairs, are being

conveyed each hour and every day to the respected and beloved general from people from all strata throughout the country. The general assumes it as his important work to take care of the matters like they are his own.

Contents included in each letter from the people were reflected in national administration by the respected and beloved general. They often serve as a basis for his teachings to functionaries and sometimes as an occasion for his tears, shed out of deep emotion.

As such, the respected and beloved general is the father who is most familiar with the feeling of the people in the world, and his political philosophy cannot be separated from the word "the people."

Through this practical experience, our people trust in and follow the respected and beloved general by upholding him as their father and as the savior of their destiny.

The song, "We Live Believing in Him as in Heaven," which our people sing with uncommon feelings of love, is an eruption of such absolute worship. Only those who are totally enchanted by their leader [yongdoja] and who have thoroughly resolved to share destiny with the leader can loudly sing the song of loyalty.

This song, sung heartily by all the people, unfolded the perfect harmony and unity between the leader and the people into an impressive epic.

The song, which erupted from the ardent sentiments and ideology of the people after being accumulated for a long period, is the song, "We Live Believing Only in Him as in Heaven."

This song reflects unwavering loyalty of the people, who absolutely trust in their leader [yongdoja] and who have resolved to devote everything to his cause. The more one listens to the song, the more keenly one realizes the benevolent image of the respected and beloved general. The song also makes one overflow with a boundless sense of amicability, thus leading people to the world of endless respect and admiration.

Several days ago, the respected and beloved general, who always embraces the people in his mind, said that our people love and enjoy singing the song and that he will repay the people's trust and expectations, listening to the song. The respected and beloved general is the heaven of all the people [manbaeksongui hanul] that, even while listening to a song sung by the people, hardens the determination to keep their destinies to the end as their father. Has there ever been such a story in the annals of mankind's history as the fact that the leader and the people are warmly united in one heart through a song?

The people always exist in the great heart of the leader [yongdoja], and only the leader [yongdoja] is ever present in the pure hearts of the people. This blood relationship has given rise to such an excellent song as "We Live Believing Him As in Heaven," and with an abundance of songs like it, our age led by the respected and beloved general shines more than ever.

The respected and beloved Comrade Kim Chong-il [kyongaehanun kimjongil tongji], whom our people trust as heaven and to whom they completely entrust all their destinies, is indeed a spiritual anchor for all our people and a symbol of the invincibility of the Korean revolution.

The respected and beloved Comrade Kim Chong-il [kyongaehanun kimjongil tongji], who is devoting all his great efforts to presenting only joy and happiness to the people, shouldering the heavy responsibility of the times! The road of on-the-spot guidance continued by the respected and beloved general for the people and soldiers for the past two years, unable to cast off the mourning clothes from his mind, has been endless. It is really natural that all our people boundlessly respect and trust this great and noble father of the people like heaven.

There have been many countries and peoples, as well as many stories about relations between leaders [yongdoja] and peoples, in the world. However, unprecedented in history is the proud history that a people uphold their leader [yongdoja] that high, admire him absolutely, and walk along the single road of loyalty to him.

In this proud and dignified course of the revolution, especially noteworthy in history, our people have experienced the impressive reality that the leader [suryong] of the revolution lives forever with the people, as well as the sublime history that the dignity and position of the nation is demonstrated all over the world, by upholding the greatest guardian of destiny in the world and the father of the nation. This is an endless honor and extraordinary fortune only our people enjoy in the world, because they uphold, trust, and follow respected and beloved Comrade Kim Chong-il [kyongaehanun kimjongil tongji] like heaven.

#### DPRK: Roundtable Discussion Views Kim Chong-il Legends

SK2607035296 Pyongyang Korean Central Broadcasting Network in Korean  
1120 GMT 23 Jul 96

[Roundtable talk on Kim Chong-il between Sin Ky-hyon, a professor at Kim Il-song University; Kim Chol-ho, a researcher at the Central Meteorological Office;

Kim U-kyong, a writer; and an unidentified station reporter]

[FBIS Summary] The 20 minute-long roundtable talk begins with a station reporter calling Kim Chong-il "an absolute great man created by Heaven," followed by a panelist saying that legends about Kim Chong-il are entirely different from any other legends, and that they have "noble characteristics."

Another panelist notes that there are thousands of legends about Kim Chong-il, saying "such numerous legends about him are closely related to his greatness." The panelist goes on to say that our people have created such numerous legends about Kim Chong-il because they revere, respect, and follow him very much, and because their loyalty toward him is so fervent they cannot portray his noble features with one or two legends. He also notes that all legends about Kim Chong-il are based on facts and true stories.

Another panelist notes that the natural phenomenon which presented itself on 16 February 1942, the day Kim Chong-il was born, were blessing phenomena.

The panelist Kim Chol-ho, a researcher at the Central Meteorological Office, says: "According to the meteorological records of his office, on 15 February, the day before Kim Chong-il was born, a strong wind of 40 to 50 meters per second blew; thick icebergs in the crater lake on Mt. Paektu suddenly broke; roars quaked the heavens and earth all day long; and a snowslide occurred in the precipices of Mt. Paektu."

The panelist Kim Chol-ho continues: "That night, the wind stopped and a stillness began to prevail in the everlasting forests of Mt. Paektu. At 0556 hours in the morning of 16 February, Venus, called the day-star, marvelously appeared in the East. Venus radiated its rays for one hour and 44 minutes, and the rays were very brilliant."

An 80-year-old panelist, saying he was in prison in Seoul on the day Kim Chong-il was born, notes on that day he witnessed Venus through the iron bars of his prison cell. After being released from prison, he heard many people in Seoul talking about the day-star.

Stating that strange phenomena appear in the area of Mt. Paektu on 16 February each year, a panelist notes that in February 1995 a brilliant sun halo appeared in the sky over (Ogil-tong); in February 1994, twin rainbows appeared; and on 16 February this year, a brilliant rainbow appeared, which was already reported via mass media.

A panelist states: "All the phenomena that appeared in recent years are indeed mysterious. This promises our

nation's prosperity. In view of these phenomena, our people will surely be happy in the future. However, we should know that the man who will lead our people to be happy is none other than the great leader [yongdoja] General Kim Chong-il."

Stating that the weather around the crater lake on Mt. Paektu is usually very bad, another panelist notes that the weather clears up whenever Kim Chong-il goes there, citing examples that when our general went to Mt. Paektu on 10 August 1963, 18 July 1968, and 31 May 1975, the weather mysteriously cleared up. He added that when Kim Chong-il arrived at the lake on Mt. Paektu in August 1988, the bad weather there suddenly cleared, and a twin rainbow appeared.

Another panelist says Mt. Paektu also recognizes its master, as once mentioned by Kim Chong-il [as heard]. He continues to say that when Kim Chong-il visited Shanghai, Beijing, and other cities in the PRC in June 1983, the weather in these cities was always clear.

Talking about the mysterious story about the height of Chongil Peak on Mt. Paektu, a panelist states that the height of Chongil Peak is 1590 meters above the sea, and that the distance between Kim Chong-il's native home on Mt. Paektu and Chongil Peak is mysteriously 216.42 meters [which matches Kim Chong-il's birth date of 16 February 1942].

A panelist concludes the roundtable talk by saying that legends about Kim Chong-il are based on true stories, and that upholding such a great man as our leader [yongdoja] is precisely our people's happiness.

#### DPRK: VNS Cited on ROK Citizens' Admiration for Kim Chong-il

*SK2407135096 Pyongyang KCNA in English  
0833 GMT 24 Jul 96*

[*"Authority of General Kim Chong-il Is Absolute and Topmost"* — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — South Korean people expressed reverence for the Great Leader Comrade Kim Chong-il, according to Seoul-based Radio Voice of National Salvation [VNS] quoting information of the Seoul City, North Cholla and North Kyongsang Provincial Committees of the National Democratic Front of South Korea.

A retired professor Kim in Chonju in a talk on the current situation with members of the Independent Philosophy Society, an ideological circle of his students, on the night of June 15 said:

The wonderful political situation of the North is based on the political leadership ability of General Kim Chong-il, successor to President Kim Il-song.

I see his greatness in the reality of the North which is advancing, not shaking in an unusual political current sweeping the globe in recent years.

Even American statesmen boasting of their superpower bow their heads before the authority of General Kim Chong-il.

His authority is absolute and topmost.

A professor Yi at Kyongbuk National University was invited to give a lecture on the subject of "Motive Force of the South Korean Labour Movement and Realistic Task" before labour activists of Samsung Heavy Industries. He said:

To thoroughly apply the leadership method of General Kim Chong-il is the key to the progress and success of the labour movement.

In order to apply the leader Kim Chong-il's method of leadership over the masses, we unionists should go deep among masses of workers and consult with them to solve the problems successfully in conformity with the specific conditions.

The leader Kim Chong-il is a great man who is now being praised as the outstanding leader of the working class the world over.

We must follow him to the end, holding him in high esteem as a benefactor and guide of the labour movement.

A certain Chong and Yi of "Foreign Ministry" told their colleagues that the diplomacy of the North is the diplomacy based on the leader Kim Chong-il's line of independence and that the North always wins a diplomatic victory as he puts the defence of national dignity and the enhancement of national prestige above all.

#### DPRK: ROK Retired Professor Writes Article on Kim Chong-il

*SK2507091196 Pyongyang KCNA in English  
0840 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — Kim Chang-su, a retired professor of Korea University in South Korea, made public an article headlined "Leader and Intellectuals" praising the great leader President Kim Il-song and the great leader Comrade Kim Chong-il, according to Seoul-based radio Voice of National Salvation.

He said in the article:

The life of intellectuals who have greatly contributed to the development of human history has still been studded with maltreatments, insults, sorrows and ordeals as in the past, but only intellectuals in the North are enjoying a worthwhile and happy life as masters of society, being treated favourably with love and respect. Its secret lies in the outlook of President Kim Il-song and the leader Kim Chong-il on intellectuals.

President Kim Il-song's outlook on intellectuals that the question of intellectuals is an important affair linked directly with the restoration of a country and nation was a new and unique one which no one had found. The author said in detail that the president put forward intellectuals as the driving force of social change which shares destiny with workers and peasants in the efforts to accomplish the cause of independence and trained them with much care, valuing and loving them all his life.

President Kim Il-song's outlook on intellectuals is represented in the emblem of the Workers' Party of Korea which bears a writing-brush along with a hammer and a sickle, the author said, and went on:

President Kim Il-song, who performed matchless exploits by rearing over 1.8 million intellectuals, is a great statesman who put an end to the intellectuals' history of ordeals and opened a history of genuine intellectuals.

The leader Kim Chong-il has exerted himself better to train and look after the intellectuals whom President Kim Il-song reared with much effort all his life, while leading state affairs as a whole to assist the president from his early years.

A few years ago the leader Kim Chong-il sent a significant reply to poets of the writing company in the North, wishing them to be an eternal companion, a faithful helper and a good adviser of the party. The title given by him to intellectuals originates in his chuche outlook on intellectuals that they become the subject of social change, the driving force of social development.

Writing about the love and trust of the leader Kim Chong-il for intellectuals in the North, the author noted that as led by him the North would throw brighter rays as an earthly paradise of humankind, a heaven of intellectuals, in the 21st century, too.

#### DPRK: Kim Chong-il Thanks Officers for Army-People Unity

SK2507082696 Pyongyang KCNA in English  
0430 GMT 25 Jul 96

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — The great leader Comrade Kim Chong-il sent thanks to officers of the Chon Kwang ROK unit's command of the Korean People's Army [KPA] and their families and Yi Chong-uk, an officer of the Kim Yong-ho unit of the KPA, and his wife for highly displaying the traditional traits of army-people unity.

Comrade Kim Chong-il also thanked the Kangso area united coal mine, the Yi Myong-il tunneling workteam of the Toksong Coal Mine, manager U Sun-son of the March 8 Chicken Plant of the Sote Stock Farm Management Bureau of North Hwanghae Province, sub-workteam head Kim Tae-chon of the agro-stock farm of the Muhak branch mine of the Taehung General Youth Mining Enterprise and his wife Kim Un-hui for their contributions to increased coal production and to society and the collective.

#### DPRK: Kim Chong-il Views Performance on 'Victory' Anniversary

SK2607081196 Pyongyang KCNA in English  
0711 GMT 26 Jul 96

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The great leader Comrade Kim Chong-il, chairman of the National Defence Commission of the DPRK and supreme commander of the Korean People's Army [KPA], enjoyed a performance given by the merited choir of the KPA song and dance ensemble to mark the 43d anniversary of the victory in the fatherland liberation war.

Among the audience were Kye Ung-tae, Choe Tae-pok, Kim Ki-nam and Kim Yong-sun, secretaries of the Workers' Party of Korea Central Committee; KPA Vice Marshal Cho Myong-nok, director of the General Political Department of the KPA; KPA Vice Marshal Kim Yong-chun, chief of the general staff of the KPA; department directors of the WPK Central Committee and generals and officers of the KPA.

The choir sang in chorus "Always Looking Up to the Leader," "Good Health to Our Supreme Commander," "Song of the Korean People's Army," "Song of Victors," "We Will Win Under the Flag of the Supreme Commander," "We Will Defend the Headquarters of Revolution With Our Lives" and many other songs.

The performers successfully represented the iron will and faith, militant spirit and determination of the people's army and the people to devotedly defend the

headquarters of the Korean revolution under the red flag of revolution and carry to accomplishment the chuche revolution generation after generation under the leadership of General Kim Chong-il, come what may.

After enjoying the performance full of militant spirit, Comrade Kim Chong-il expressed great satisfaction with the successful performance of the merited choir which reflects the indomitable revolutionary military spirit of the KPA.

He highly appreciated the noble achievements of the artistes of the KPA song and dance ensemble, saying that they greatly encouraged the servicemen and civilians to establish a new country, defeat the enemies, build socialism and implement the military line of the party through militant art activities as standard-bearers and trumpeters in each period and at each stage of revolutionary struggles including the fatherland liberation war.

#### DPRK: Kim Chong-il Receives Telegrams From Foreign Party Leaders

*SK2507033896 Pyongyang KCNA in English  
0247 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — The great leader Comrade Kim Chong-il received telegrams from foreign party leaders on the occasion of the second anniversary of the death of the great leader President Kim Il-song.

Among them are Chea Sim, chairman of the Central Committee of the People's Party of Cambodia; Dilip Barua, general secretary of the Central Committee of the Communist Party of Bangladesh (Marxist-Leninist); Zbigniew Wiktor, chairman of the National Executive Committee of the Polish League of Communists "Proletariat"; Thurmer Gyula, chairman of the Hungarian Workers' Party; Juan Ramos, general secretary of the Communist Party of the Peoples of Spain; Vassos Lyssarides, chairman of the Central Committee of the Socialist Party of Cyprus; Guzman Rivera Castaneda, general secretary of the Socialist Revolutionary Party of Peru; Miroslav Grevenicek, chairman of the Central Committee of the Czechy-Morava Communist Party; and Marcos Domich, first secretary of the Central Committee of the Bolivian Communist Party (spelling of all party leader names as received).

Noting that President Kim Il-song was not only the leader of the Korean people but also the leader of the oppressed people of the world, the telegrams said that he is immortal in the hearts of the world people for his outstanding wisdom and resoluteness shown in the struggle to build and defend socialism.

They expressed the belief that the cause of chuche started by the president would be successfully inherited and realized by Comrade Kim Chong-il.

He also received a telegram sent by the Central Committee of the Communist Party of Uruguay on this occasion.

#### DPRK: Book on Kim Il-song, Kim Chong-il Published in ROK

*SK2607084296 Pyongyang KCNA in English  
0810 GMT 26 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — A book "Library of Worship for Great Men" (Parts 1-10) was published by the Minum Publishing House of South Korea on the second anniversary of the death of the great leader President Kim Il-song, according to radio Voice of National Salvation from Seoul.

Carried there are articles published by professors, scholars and other intellectuals of South Korea praying for the immortality of President Kim Il-song and expressing reverence for the great leader Comrade Kim Chong-il.

Han, chief of the planning department of the Minum Publishing House, said that they published the book, encouraged by the loud voices of the people who are convinced that President Kim Il-song is immortal thanks to the leader Kim Chong-il.

Though the book consists of a small number of volumes today, the volumes of the book will increase day by day amidst warm worship of the people for President Kim Il-song and the leader Kim Chong-il, he stressed.

#### DPRK: Kim Il-song Death Anniversary Commemorated in ROK

*SK2607083196 Pyongyang KCNA in English  
0803 GMT 26 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — The members of the Sun Society active in Chonju city, South Korea, held a memorial service on the morning of July 8 on the second anniversary of the death of the great leader President Kim Il-song, according to Seoul-based radio Voice of National Salvation quoting information of the North Cholla provincial committee of the National Democratic Front of South Korea.

Placed at the memorial service hall was a picture of President Kim Il-song in colors and fragrant flowers were laid before it.

The participants in the service observed a moment's silence praying for his immortality.

Chairman of the society Choe Yong-il said in his memorial address that the death of President Kim Il-song was

the greatest loss which brought big sorrow to the Korean nation and the world community. Choe lauded his feats in accomplishing the cause of independence of the nation and humankind.

He continued:

"Though President Kim Il-song parted from us, his idea and cause are being carried forward by General Kim Chong-il.

"General Kim Chong-il is a peerless great man who is identical to President Kim Il-song, whom we acclaimed and upheld for the first time in five-thousand-year history. To have the general at the head of the nation is, indeed, good for the future of our Tangun nation."

He called upon all to build a reunified country on this land by fulfilling the behests of President Kim Il-song under the leadership of General Kim Chong-il.

The members of the April 15 Fellowship Society, Hyangil Society and Saeppyl Comrades-in-Arms Society active in Kunsan city and Kochang and Muju counties held memorial services on the same day and prayed for the immortality of President Kim Il-song.

#### DPRK: Foreigners, Overseas Koreans Pay Respects to Kim Il-song

SK2607054196 Pyongyang KCNA in English  
0442 GMT 26 Jul 96

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — Foreigners and overseas Koreans staying in Korea visited the Kumsusan Memorial Palace on July 25 to pay respects to the great leader President Kim Il-song, who is preserved in state.

They included a delegation of the Federation of Peace and Friendship Organisations of Mongolia led by its General Secretary D. Bilegt, a delegation of the Jilin Yuwen Middle School of China headed by its principal Chen Zhiyan, Egyptian Ambassador E.P. [extraordinary and plenipotentiary] to Korea Hazem Muhammad Taher and embassy officials, a delegation of education officials of the General Association of Korean Residents in Japan (Chongnyon), a delegation of moviemen of Chongnyon and a delegation of Korean youth and students in Japan.

The foreigners and overseas Koreans made entries in the visitor's book.

The chairman of the Mongolia-Korea Friendship Association, who is a member of the delegation of the Federation of Peace and Friendship Organisations of Mongolia, wrote: "As I visit the memorial palace where the great leader of the Korean people Comrade Kim Il-song is preserved in state, I am full of respect and reverence

for him. He, who devoted his all to the people, will be immortal in their hearts."

The head of the delegation of Korean youth and students in Japan wrote that the Korean youth and students in Japan will prepare themselves to be hardcore youth who will reliably carrying forward the chuche cause and the movement of the Koreans in Japan under the leadership of the respected General Kim Chong-il, bearing deep in their minds the slogan of faith that President Kim Il-song will always be with them.

The head of the delegation of the Jilin Yuwen Middle School of China wrote that all the teachers and students of the school will always remember President Kim Il-song, the great leader of the Korean people and a close friend of the Chinese people.

#### DPRK: Mansudae Studio Mural Depicts Grief at Kim Il-song's Death

SK2407135196 Pyongyang KCNA in English  
0856 GMT 24 Jul 96

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — The Mansudae Art Studio of the Democratic People's Republic of Korea successfully created a large Korean painting "1994 in Deep Grief".

The monumental painting is 82 metres long and 2.2 metres high on an average.

Drawn by some 100 artists of the well-known Korean painting production, it consists of seven parts — "With the People at Rainy Night," "Mansu Hill Overwhelmed With Grief," "South Korean People Receiving Sad News," "Sad News Reaches Koreans in Japan," "World People in Deep Grief," "the Great Leader Comrade Kim Il-song Will Always Be With Us" and "The People's Determination."

The painting gives a vivid representation of the Korean people overcome with sorrow over the sudden death of President Kim Il-song in July, 1994, Mansu Hill enveloped with deep grief, working people, youths, schoolchildren and servicemen seeing off the hearse on the 40-kilometre-long route, world people lamenting his death and the people determined to devotedly fulfill the behests of the president.

The centerpiece of the painting is the first part "With the People at Rainy Night". It shows the Great Leader Comrade Kim Chong-il, who encourages the people wailing on Mansu Hill at a rainy night to carry out the revolutionary cause of chuche, started by the president, by redoubling their efforts with an unshakable faith, saying the president is always with them.

The faith and will of the Korean people are fully reflected by the sixth part "The Great Leader Comrade Kim Il-song Will Always Be With Us" showing people bidding their last farewell to the president on 40-kilometre-long route in the capital city of Pyongyang on July 19, 1994, and by the seventh part "People's Determination" made up of "We Will Devotedly Defend the Headquarters of Revolution," "Oath of the Working Class," "Eight Million Rifles and Bombs," etc.

The painting also vividly mirrors world people's deep condolences over his death.

The large picture based on the fine Korean painting methods is a masterpiece and national treasure adding lustre to chuche-oriented art.

Comrade Kim Chong-il saw the painting on July 9 and expressed great satisfaction at the masterpiece.

#### DPRK: Foreign Papers Commemorate Anniversary of Kim Il-song Death

**SK2507032996** *Pyongyang KCNA in English*  
**0155 GMT 25 Jul 96**

[FBIS Transcribed Text] Pyongyang, July 24 (KCNA) — Foreign newspapers dedicated articles to the second anniversary of the death of the great leader President Kim Il-song.

Under the title "Gift to Humankind" the Malian newspaper NOUVEL HORIZON said:

President Kim Il-song lives forever as the sun of chuche because he performed the exploits which are immortal with human history. The chuche idea is the most valuable gift that he presented to humankind.

With his founding of the immortal chuche idea the 20th century guided by the anthropocentric philosophical idea has started in history. History has advanced, entrusting the century to his philosophy and his ideology. President Kim Il-song is the lodestar of human emancipation who devoted all his life to the human cause of independence.

In the coming 21st century the world will advance, breathing with the chuche idea.

Articles headlined "Memory of President Kim Il-song," "Two Years After the Death of President Kim Il-song" and so on were carried by the Indian paper INDIAN TIMES, the Lao paper PASASON, the Thai paper XING SAM RIBAO, the Pakistani paper PAKISTAN, the Chinese paper SHENYANG DAILY, the Tanzanian paper MZALENDU and the Mexican paper EL UNIVERSAL.

The Zimbabwean National Committee for the Study of the Chuche Idea and the Zimbabwe-Korea Solidarity

and Friendship Association printed a bulletin in joint name on July 8 on the occasion of the second anniversary of the death of President Kim

#### DPRK: Foreigners Remember Kim Il-song on Death Anniversary

**SK2507094096** *Pyongyang KCNA in English*  
**0850 GMT 25 Jul 96**

[Names as received]

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — The second anniversary of the death of the great leader President Kim Il-song has been commemorated worldwide.

The great leader Comrade Kim Chong-il received telegrams from the president and prime minister of Pakistan, presidents of Guinea and Mali, the head of State of Palestine and party leaders of different countries on this occasion.

Saying that they would always remember the outstanding leader President Kim Il-song as a great friend, the telegrams expressed the belief that his cause would be accomplished by Comrade Kim Chong-il.

Floral baskets came from Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba, president of the Council of State and president of the Council of Ministers of the Republic of Cuba; Norodom Sihanouk, King of Cambodia; First Prime Minister Norodom Ranariddh, Second Prime Minister Hun Sen and president of the National Assembly Chea Sim of Cambodia; President Hafez Al Assad and Prime Minister Mahmoud Al Zoubi of Syria; Lansana Conte, president of Guinea, and Yasser Arafat, president of the State of Palestine.

Heads of parliament and government, leaders of political parties and figures of all strata of different countries such as Cuba, Syria, Algeria, India, Thailand, Palestine, Lebanon, Zaire, Russia, Romania, Poland, Tajikistan, Britain, Germany, France, Singapore, Guyana, Bangladesh, Laos, Togo, Zimbabwe, Ghana, Nigeria, Mexico and the United States and representatives of international and regional organizations visited Korean embassies and missions in their countries to lay floral baskets and bouquets before the portraits of President Kim Il-song and express boundless respect for him.

In order to uphold President Kim Il-song, who devoted his whole life to the Korean revolution and world revolution, as the sun of chuche for all ages and hand down his revolutionary exploits generation after generation, his statue was erected at the ten-year middle school in Altanbulag County, Tov Province, Mongolia.

his portrait was hung at Gramma School in Islamabad, Pakistan and a ceremony for unveiling a large signboard of Generalissimo Kim Il-song street and planting trees was held in Phnom Penh, Cambodia. A title of honorary professor was awarded to President Kim Il-song by Iquitos University in Peru.

The friendly Chinese people made and presented a wax figure of President Kim Il-song with deepest reverence for him.

The preparatory committees to commemorate President Kim Il-song were inaugurated in Pakistan, Guinea, Angola, Russia, Cuba, Mongolia, Nepal, Bangladesh, Japan, the Czech Republic, Egypt, Tanzania, Uganda, Mali, Zimbabwe, Guyana, Peru, Mexico and other areas of five continents of the world. And memorial services, memorial evenings, memorial sessions, seminars, lectures, Korean photo and film shows were also held in those countries. The "photo exhibition commemorating President Kim Il-song, the great star of the 20th century" was held with large attendance in Osaka, Japan. The yearning for him was fully expressed.

Speakers at the ceremonies recalled the brilliant life and immortal revolutionary exploits of President Kim Il-song and highly praised him as the outstanding leader of the Korean people and world people and the international communist movement and working-class movement and the greatest statesman of the 20th century.

Meanwhile, foreign press media widely reported his immortal revolutionary exploits.

The third volume of the first part "The Anti-Japanese Revolution" of his reminiscences "With the Century" was published in Nepalese and a book "Comrade Kim Il-song, Founder of Chuche" was issued in Nepal.

Press media of different countries including the Pakistani paper NAWA-E-WAQT, the Russian paper IS-TOKI, the Bulgarian paper TRIBUNA, the Algerian paper AL CHaab, the Peruvian paper LA NACION and the Indian magazine SOCIALOOK reported his famous works, his reminiscences "With the Century" and his brief biography and widely introduced his greatness in special write-ups such as "Commemorate President Kim Il-song", "President Kim Il-song Is Father of Socialist Korea" and "His Excellency the Great Leader Kim Il-song Is Immortal".

**DPRK: Head of SKNDF 'Mission' in Pyongyang Interviewed**

*SK2507085796 Pyongyang KCNA in English  
0833 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — Yi Chong-sang, chief of the Pyongyang mission of the National Democratic Front of South Korea (NDFS) [SKNDF], was interviewed by KCNA at the mission on July 24 on the occasion of the 43rd anniversary of the victory in the fatherland liberation war.

The fatherland liberation war could be won entirely thanks to the outstanding military idea, strategy and tactics, chuche-based military warfare method and commanding art of the respected President Kim Il-song with iron will, indomitable faith and boundless devotion to the country and the nation, the chief said.

He noted that the people in the North and the South celebrate July 27 as the second liberation day when they defended the nation's sovereignty and dignity, as significantly as they do August 15.

July 27 is a banner inspiring the struggle of the people in the South for independence, democracy and reunification and the struggle of the world oppressed people for independence, he said.

He stated that the danger of war has not been removed yet from the Korean peninsula owing to the criminal war moves of the U.S. imperialist warmaniacs and the traitors who are trying to prolong their remaining days by following them.

He continued: The United States must withdraw from the South immediately, taking along its Armed Forces and all the aggression weapons as desired by the whole nation at home and abroad and no longer interfere in the internal affairs of our nation.

The authorities in the South must stop at once following the aggression policy of outside forces and making arms buildup and war provocation moves against the fellow countrymen, abolish the "National Security Law," which defines the North as the "enemy," and other fascist laws and step down from power.

**DPRK: CPC Designates Korean War Victory Day as National Holiday**

*SK2507232296 Pyongyang Korean Central Broadcasting Network in Korean  
2100 GMT 25 Jul 96*

[Decree issued by the DPRK Central People's Committee in Pyongyang on 25 July — read by announcer]

[FBIS Translated Text] A decree of the DPRK Central People's Committee [CPC] on designating the day of victory in the fatherland liberation war as a national holiday:

July 27, the day of victory in the fatherland liberation war, is a historic day in which our people defeated imperialist aggression and defended the nation's dignity and sovereignty.

Our people's victory in the fatherland liberation war was a great victory of the respected and beloved leader Comrade Kim Il-song's prominent military ideas, strategies, and tactics, and of the chuche military war method, as well as a great fruition of the leader's [suryongnimui] wise leadership and unusual art of military operations.

With extraordinary and seasoned leadership, the great leader Comrade Kim Il-song, the ever-victorious iron-willed commander and gifted military strategist, smashed the imperialists, who claimed themselves to be the strongest in the world, by leading our people and People's Army, thus honorably defending the freedom and liberation of the fatherland.

By achieving the great victory in the fatherland liberation war, our people exploded the myth of the might of U.S. imperialism for the first time in history, brought about the beginning of its decline, and greatly contributed to defending peace and security in Asia and other parts of the world.

Our people's victory in the fatherland liberation war proved a truth that even people of a small country can easily be victorious if they courageously fight against the aggressors. It also clearly showed there is nothing in the world that can defeat a people who are firmly rallied around the party and the leader [suryong] with one idea and purpose.

By leading the fierce and gruesome fatherland liberation war to victory, the great leader Comrade Kim Il-song delivered the fatherland and the nation out of its life-and-death crisis, opening the bright future of our revolution. His revolutionary feat will be immortal in the history of the fatherland.

It is a steel-strong belief and unswayable will of our people and People's Army to unfailingly achieve the

independent and peaceful reunification of the fatherland and to complete the chuche revolutionary cause, learning from the spirit of indomitable struggle and the rich experiences gained in the great struggle for victory in the fatherland liberation war under the wise leadership of the respected and beloved Comrade Kim Il-song.

In order to hand down through generations the immortal exploits of the respected and beloved leader Comrade Kim Il-song, the founder of our party, state, and military and a matchless hero who led the arduous fatherland liberation war to great victory, and in order to significantly commemorate the historic day of victory in the fatherland liberation war, the DPRK CPC has decided the following:

1. July 27, the great day of victory in the fatherland liberation war, shall be a national holiday.
2. July 27 shall be a national holiday every year.
3. State institutions, enterprises, organizations, and houses shall hoist the national flag of the DPRK on this day.

[Signed] The DPRK CPC.

[Dated] 25 July 1996, Pyongyang.

**DPRK: Meeting Marks 'Fatherland Liberation War' Anniversary**

*SK2607101096 Pyongyang KCNA in English  
0955 GMT 26 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — A national meeting was held at the 6,000-seat theatre of the April 25 House of Culture today to celebrate the 43rd anniversary of the victory in the great fatherland liberation war.

The June 25, 1950-July 27, 1953 fatherland liberation war was a great revolutionary war in which the Korean people repulsed the imperialist aggression and defended the national dignity and sovereignty.

Attending the meeting were Vice-President Yi Chong-ok, Vice-Premier of the Administration Council Kim Yong-nam, and Secretary of the C.C. [Central Committee], the Workers' Party of Korea Kye Ung-Tae, who are Politburo members of the C.C., the WPK, other senior party and government officials, vice marshals of the Korean People's Army [KPA], anti-Japanese revolutionary veterans and bereaved families, war veterans, working people in the city, and servicemen.

Overseas compatriots staying in the socialist homeland were also present.

Kim Chong-kak, vice-minister of the People's Armed Forces, made a report at the meeting.

The reporter said, "The three-year Korean war forced by the U.S. imperialists evidently proved that any formidable imperialist enemy boasting of its military technical supremacy could never defeat the strength of the faith and will of the people who are closely rallied as the powerful driving force of the revolution around their great leader and are ready to lay down their lives with full confidence in sure victory and revolutionary optimism."

"The Korean people's victory in the war was a brilliant victory brought about by the outstanding military idea and tested political and military guidance of the great leader Comrade Kim Il-song, the gifted military strategist and peerless brilliant commander," he stressed.

"His strategy and tactics and war methods of Korean way without an equal in all ages were the source of invincible strength that gave an irrevocable defeat to the U.S. imperialists aggressors and decisively ensured victory in the war," the reporter said, and went on:

"Under the wise leadership of Comrade Kim Il-song, our people and people's army won a historic victory in the fatherland liberation war. So they powerfully demonstrated to the whole world the invincible might of our republic and people's democratic system, honorably defended the freedom and independence of the country and the national sovereignty, and made a great contribution to safeguarding peace and security in Asia and the rest of the world.

"Our victory in the war vividly showed that even the people of a small country could certainly defeat any formidable enemy and reliably defend their honor and dignity as an independent nation, if they devotedly fight, with conviction in the greatness of their leader and closely rallied around the party and the leader."

The reporter said the cause of socialism and the cause of army building of chuche started by Comrade Kim Il-song have been consistently developed in depth onto a new higher stage by the respected Comrade Kim Chong-il, who is intensely faithful to his cause.

"Led by Supreme Commander Kim Chong-il, our party and people have contained the enemies and won victory after victory in the acute political, ideological and military confrontation minus shooting in recent years," said the reporter. "This is a great victory that demonstrates the invincible might of socialist Korea and creditably defends the dignity and sovereignty of the nation and our socialism once again."

Thanks to his outstanding leadership, the People's Army and people are never afraid of any formidable enemy and the ultimate victory of the socialist cause of chuche is certainly guaranteed under any circumstances, he stressed.

The U.S. rightwing conservatives and the South Korean puppets are extremely aggravating the situation on the Korean peninsula, the reporter said, adding that any aggressive moves can never frighten the Korean people and People's Army, who courageously fight for justice and peace.

"If the enemies, continuously pursuing division and confrontation, unleash a war in spite of our repeated warning, our People's Army and people will mercilessly annihilate the aggressors and uproot the source of war from the Korean peninsula," he declared.

The reporter called upon all the people's army officers and men and people to firmly unite around the great leader Comrade Kim Chong-il and uphold his idea and leadership with loyalty and filial piety, convinced that they will win without fail as they are led by him.

#### DPRK: People Visit Monument to United Front

SK2507104696 Pyongyang KCNA in English  
0923 GMT 25 Jul 96

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — Working people and overseas compatriots visited the monument to United Front to recall the immortal exploits of the great leader President Kim Il-song on the occasion of the 50th anniversary of the formation of the Democratic Front for the Reunification of the Fatherland (July 22, 1946).

The monument, which is built on Ssuk islet in the middle of the Taedong River, tells the president's noble patriotic intention for reunification.

The islet is a historic place where the president had a consultative meeting with South Korean politicians who participated in the joint conference of representatives of political parties and public organisations in the North and the South of Korea in April, 1948.

One day in October, 1989, President Kim Il-song told officials that the North-South joint conference and the consultative meeting in Ssuk islet represented the victory of the United Front and alliance with communism, and instructed them how to rehabilitate the islet and hand it down to posterity.

The great leader Comrade Kim Chong-il examined and perfected the design for the islet construction with deep attention and wisely led the construction.

So the islet was beautifully made up into a revolutionary site and a pleasure ground in less than a year.

The monument to United Front was erected with 56 pieces of granite, which means the number of delegations of political parties and public organizations participating in the April North-South joint conference.

Names of the political parties and organizations were engraved on the back of the monument.

The names of the North and South delegates to the consultative meeting, including Kim Chaek, Kim Ku and Kim Kyu-sik, are seen in the lower part of the monument.

The shed for a melon field, which the president climbed with participants in the meeting, the meeting place, the ferry and other mementos are preserved on the islet.

The visitors renew their resolution to actively work for reunification, upholding the intentions of President Kim Il-song and Comrade Kim Chong-il.

#### DPRK: History of Pyongyang People's Hospital No. 1 Reviewed

*SK2507103696 Pyongyang KCNA in English  
0918 GMT 25 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 25 (KCNA) — The medical workers of Pyongyang People's Hospital No. 1 donated more than 500 litres of blood, 7,000 pieces of skin, 300 grammes of marrow and 160 pieces of bones for the resuscitation of patients over the past 30 years. These are some of the figures showing their devoted service and the genuine advantages of the socialist health system of Korea.

It is situated at the foot of scenic Moran Hill.

It is a people's hospital which was built for the first time after Korea was liberated.

The great leader President Kim Il-song, upon his triumphant return home after he restored the country, acquainted himself with the health service conditions of Pyongyang and set up a people's hospital there although he was busy with the historic cause of building the party, the country and the army. And he brightly indicated the road to be taken by the hospital in each period and stage of the developing revolution.

When the hospital was set up on October 20, 1945, it was a small one-story wooden building with a few beds and over 10 doctors and nurses. Now, its size and the scope of medical treatment have been expanded more than 100 times.

Its total floor space is more than 40,000 square metres and its beds number over 1,000.

It is equipped with up-to-date medical facilities and has 40 sections such as those for digestive, circulatory and endocrine disorders.

It produces hundreds of high-efficacious medicines and tonics by itself.

There are able medical workers in the hospital.

Among them are scores of doctors, masters of medical science and merited doctors, who solved many scientific and technical problems for medical treatment.

Over 200 scientific treatises have been published every year by medical workers of the hospital.

In recent years alone, they have made scores of kinds of medicines and medical facilities, which were registered as state standard. And patents were given to them.

Notably, they are registering successes in treatment of gastric ulcer and duodenitis with the help of helicobacter pylori and administering Ognyu mineral water mixed with an addition to those patients whose stomach was cut off. These methods are noteworthy in the health domain for their efficacy.

The hospital also published more than 10 books of medical techniques including "Surgical Part of Experience of Medical Treatment by Koryo Medicine" and "Book on Otorhinolaryngology."

It is now directing efforts to medical treatment and prophylactic work while further consolidating their achievements.

#### DPRK: Chilgol Revolutionary Site Described

*SK2607084096 Pyongyang KCNA in English  
0815 GMT 26 Jul 96*

[FBIS Transcribed Text] Pyongyang, July 26 (KCNA) — July 31 is the 64th anniversary of the death of Kang Pan-sok, an indomitable communist revolutionary fighter and an outstanding leader of the Korean Women's Movement (1932).

On this occasion working people from all walks of life visit the Chilgol revolutionary site.

It is situated in Chilgol-tong, Mangyongdae District, Pyongyang. It is a historic place where the great leader President Kim Il-song cultivated the soul of patriotism while attending Changdok school from the spring of 1923 to January 1925 and where his mother Kang Pan-sok and his mother's family members lived.

Changdok school is an L-shaped small tile-roofed house consisting of a teachers' room and three classrooms.

The school was built in 1907 by Kang Ton-uk, the father of the president's mother, to educate poor children in Chilgol area in patriotism.

Studying at the school, the president experienced the reality of Korea and cultivated a great ambition for the revolution. The mountain behind the school is associated with sacred footprints of the president and there are "reading place", "ground for playing at war", "wrestling ground", "spot for registering new resolves" and others telling many unforgettable stories about him.

Placed in the compound of the school is a statue of the president in his school days.

There is a straw-thatched house which could be seen everywhere in Korea during the period of national distress. It is the president's mother's old home.

Preserved in the house are a desk and a lamp used by the president during his school days and household goods used by Kang Pan-sok's family.

Her statue is erected and a revolutionary museum built in Chilgol.

The museum was opened in April 1972 on the occasion of the 60th birth anniversary of President Kim Il-song and the 80th birth anniversary of Kang Pan-sok.

### South Korea

#### ROK: DPRK, U.S. Plan To Resume Contact To Discuss 4-Way Talks

SK2607044296 Seoul HANGYORE SINMUN  
in Korean 26 Jul 96 p 1

[Report by Washington-based correspondent Chong Yon-chu]

[FBIS Translated Text] It was learned on 24 July that North Korea and the United States are planning to resume working negotiations in New York as early as this week. During the negotiations, the two sides are expected to take up the issue of the simultaneous implementation motion, which was proposed by North Korea, as well as corresponding steps that would be taken by the ROK and United States.

Diplomatic sources in Washington predicted: "As the two sides both expressed their opinions, the working contacts may well be held in New York as early as this week to seek a settlement." He added: "The chances are high that the two sides will agree to hold an explanatory meeting on the four-way talks through one or two working negotiations."

In other developments, at a regular briefing held on 24 July, U.S. State Department spokesman Nicholas Burns confirmed that North Korean and U.S. officials met in

New York on 23 July to discuss the four-way talks. However, he disclosed: "The two sides are yet to reach agreement on this."

He added: "The U.S. Government believes North Korea will accept the four-way talks proposal."

#### ROK: Qian Qichen: PRC To Play 'Constructive' Role in 4-Way Talks

SK2607023696 (Internet) The Digital Chosun Ilbo  
WWW in English 1214 GMT 25 Jul 96

[FBIS Transcribed Text] Qian Qichen, Chinese Foreign Minister, said at a meeting with Korean Foreign Minister, Kong No-myong, held Thursday morning in Jakarta, that "China will play a constructive role in order to ensure the success of the four-party talks", an official said.

The comment by Qian goes one step further than its previous passive commitment, namely that it will "support the holding of four-party talks but will only play an active role after the North participates in the talks".

Qian said at the meeting that he hopes that South-North dialogue is achieved as early as possible in order to bring about peace and stability on the peninsula. He also formally explained the result of a recent visit to the North by high-ranking Chinese officials and set out China's North food assistance policy.

Kong in turn outlined the recent progress of a Joint Explanation Meeting to the North held by the US and South Korea and urged China to contribute positively towards the successful holding of four-party talks. The two foreign ministers agreed to expand the exchange of high-ranking officials of the two countries.

An official of the Korean Foreign Ministry said that during August at the earliest Vice Foreign Ministers will visit China and that high-ranking representatives of the Foreign Ministry will visit Beijing later this year.

#### ROK Foreign Minister Comments on Four-Way Talks, LWR Costs

SK2607025396 Seoul YONHAP in English  
0233 GMT 26 Jul 96

[FBIS Transcribed Text] Singapore, July 26 (YONHAP) — South Korean Foreign Minister Kong No-myong said Friday that North Korea should attend the proposed four-way peace talks on the Korean peninsula before joining the ASEAN Regional Forum (ARF).

"In the future North Korea will join the ARF, but that should be preceded by its attendance at the tripartite talks," Kong said.

Meeting with the press corps accompanying him during his current Southeast Asian tour, Kong added, "ARF is a body dealing with Asia's security issues. If North Korea is to join it, Pyongyang should work toward peace and stability in the region."

The foreign minister arrived here Thursday from Jakarta where he held a series of meetings with his counterparts from the United States, Japan and China on the sidelines of the Asean Regional Forum and Post-Ministerial Conference (PMC).

In regard to the light-water reactor [LWR] project in North Korea, Kong said that cost-sharing negotiations for the project will start soon, presenting approximately 4.9 billion U.S. dollars as the rough estimate dubbed "rough order magnitude" the Korea Electric Power Corp. (KEPCO), the prime contractor for the project, has recently submitted to the Korean Peninsula Energy Development Organization (KEDO).

The cost will be shared largely by South Korea, Japan and the United States, the leading members of KEDO, the international consortium financing the project.

"But 4.9 billion dollars is purely for the construction of a nuclear power plant based on light-water reactors," Kong said.

That remark indicates that the full cost of the reactor project, when the construction of auxiliary facilities such as port and berthing facilities and roads is taken into account, will exceed that sum. Earlier reports had it that the project would cost 4 to 4.5 billion dollars.

On the launching of a joint Korea-Japan history research society, Kong said that it will hold a plenary session in the autumn if not sooner, disclosing that "the selection of three core commissioners is in the final stage."

The establishment of the joint history research body was agreed upon by President Kim Yong-sam and Japanese Prime Minister Ryutaro Hashimoto when they met on Cheju Island last month.

A formula now being studied between the two countries calls for gradually increasing the number of commissioners from three on each to between 10 and 15, an official accompanying Kong said.

Ko Pyong-ik, former president of Seoul National University, Yu Yong-ik, commissioner of the National History Compilation Committee and a journalist are reportedly being considered for the positions.

"Once the core commissioners are selected by the two countries, they are expected to begin meeting in August to discuss the criteria for other commissioners and when to hold the inaugural meeting," the official said.

The formula being studied envisions holding the first session of the society sometime this year in Seoul, according to the official.

#### **ROK: U.S. ITC Investigates Tire Producer for Patent Infringement**

*SK2507062996 Seoul YONHAP in English  
0524 GMT 25 Jul 96*

[FBIS Transcribed Text] Seoul, July 25 (YONHAP) — The U.S. International Trade Commission (ITC) began investigating South Korean tire manufacturer Kumho to determine if it has infringed on the patent rights of Michelin North America.

According to the ITC, it accepted the American company's complaint against Kumho on charges of violating its patent rights regarding the manufacture of truck tires July 1, and made the decision on July 16 to begin an investigation.

ITC has already asked Kumho to provide design drawings and specifications for truck tires.

If and when the ITC determines that Kumho has infringed on the patent rights, it can order Kumho to halt exports to the United States.

South Korean tire manufacturers including Kumho shipped 220 million U.S. dollars worth of tires to America last year.

#### **ROK Daily on U.S. Aid to DPRK, ROK Role in Supporting DPRK**

*SK2407061096 Seoul CHOSON ILBO in Korean  
23 Jul 96 p 2*

[Report by Washington-based correspondent Pak Tu-sik; from the "Reporter's Memobook" column: "Lilley's Questions"]

[FBIS Translated Text] "Eighty-three million dollars to remodel the president's palace to lay Kim Il-song's body in state; \$6 million to embalm his body; \$134 million to remodel the luxurious palace in commemoration of Kim Chong-il's birthday; and the like...."

These are the examples of the squandering by the North Korean regime as pointed out by James Lilley, former U.S. ambassador to the ROK, in an article recently donated to THE WASHINGTON POST.

He felt that various aid provided by the U.S. Government to North Korea is like throwing water on dry soil, and pointed out that North Korea's repeated begging for aid while threatening the United States and its allies is a long-developed tactic of the North Korean leaders aimed

at gathering money from their surroundings instead of seeking a way to survive by reforming its economy.

Former Ambassador Lilley asked: "Why should U.S. citizens' tax dollars be wasted on aid to North Korea, whose habit of wasting money on luxury is serious?"

A heated tug of war is taking place in Washington between the U.S. administration and the U.S. Congress over the budget to provide heavy oil to North Korea. The article by former Ambassador Lilley, who is playing the role of consultant for Bob Dole, the U.S. Republican presidential candidate, can be seen as one such argument. In response to the U.S. administration's demand for \$25 million in the Fiscal Year 1997 budget, Congress insists only \$13 million is to be provided.

In the event the Congressional draft is approved at the main session of the U.S. Senate slated for this week, and at a joint examination session of the Senate and House of Representatives, it is highly likely President Clinton will exercise his veto.

This being the situation, various theories and allegations have been developed, and offensive and defensive arguments are continuing.

The U.S. administration emphasizes "observing the international pledge." The U.S.-DPRK agreement signed in Geneva in October 1994 specifies that heavy oil will be provided to North Korea. As such, the U.S. administration points out that the breaking of the nuclear agreement due to U.S. failure to offer heavy oil runs counter to U.S. interests. The so-called "airplane theory" has also been raised. In other words, the extremely uneasy airplane of North Korea should be allowed to make "a soft landing." However, the Republicans counter the administration with the theory that "an airplane which should not have taken off" has taken off. The Republican theory points out that the Geneva agreement itself was erroneous, but the administration launched the airplane as it pleased, and is now threatening [the Republicans] with the question about how can they let the plane crash.

In this process, the United States will likely be parsimonious [insaekhan] in supporting North Korea. On the other hand, it emphasizes that economic incentives should be given to North Korea in a bid to bring it into the international community. Where U.S. attention will be directed is becoming clear. Items that the United States may ask us to pay for in the future are infinite and endless, including payment for heavy oil, food aid, and the like.

It is now time for unH?o map out our own principle and philosophy in using money regarding aid to North Korea. Otherwise, we may be continually forced to

show "generosity" without being able to present our own views.

**ROK Daily on DPRK Official's Activities in Japan**

*SK2507000996 Seoul CHOSON ILBO in Korean  
24 Jul 96 p 2*

[Article by Tokyo-based correspondent Yi Chun; from the "Reporter's Notebook" column: "Kim Chong-u Was Driven Into an Awkward Situation"]

[FBIS Translated Text] Kim Chong-u, chairman of North Korea's Committee for the Promotion of External Economic Cooperation, who is now on a visit to Japan, did not look happy. Returning to Tokyo on 23 July after visiting major Japanese cities to hold explanatory meetings to attract Japanese investment to the "Najin-Sonbong area," Kim Chong-u could not conceal his disappointment over the negative response of Japanese enterprises, muttering "We have done our best...."

On a train bound for Niigata, he said: "I expected interest by Japanese enterprises in the Najin-Sonbong area would be great because it is geographically close to Japan and because traffic by people has been frequent until now."

However, it was learned that Japanese enterprises' response to the explanatory meeting was negative, not only in Niigata but also in Toyama and Osaka.

The reason why Japanese enterprises hesitate to advance into North Korea is very simple. Japanese enterprises know the basic investment environment and climate in the Najin-Sonbong area is not favorable. The construction of such infrastructures as railways, roads, and communication nets is only in an initial stage, and the opening of international airlines cannot be expected till 2000. Furthermore, North Korea lacks the financial capability to build these infrastructures with its own strength.

At the explanatory meetings, Kim Chong-u revealed: "Funds of approximately \$4 billion are required to build this infrastructure. Twenty percent of these funds will be financed by North Korea's own efforts; to finance the rest of the funds, we need foreign loans and foreign investment."

Japanese businessmen have analyzed that the wage level in North Korea is also high. The minimum wage North Korea has set for Najin-Sonbong area is \$80 a month, which is higher than some areas in the PRC.

Such being the situation, some Japanese businessmen have raised doubts if their international competitiveness can be attained with such a high wage level.

In particular, what depressed Kim Chong-u and his party was the Japanese Government's attitude. It was learned

that Kim Chong-u and his party had unofficially asked the Ministry of International Trade and Industry "to establish mutual trade offices and to engage in trade insurance." This means the North Koreans asked the Ministry of International Trade and Industry to persuade Japanese enterprises to advance into North Korea.

However, the ministry reportedly showed a negative response to this request, pointing out that North Korea has not cleared up trade debts it owes Japan totalling 80 billion yen.

Last month, North Korea sent a delegation of the Disarmament and Peace Institute, including Yi Chol-chin, chief of the Japanese Section of its Ministry of Foreign Affairs. However, North Korea achieved no success at that time. Stressing "the four-way talks," the Japanese Government showed a negative attitude toward North Korea's proposal for "the early resumption of negotiations to establish diplomatic relations and the expansion of economic exchange prior to the establishment of diplomatic relations."

Rather, at the G-7 summit, the Japanese Government urged North Korea to accept the four-way talks. North Korea bitterly denounced this, claiming "it is a grave act that damages bilateral relations."

Why is Japan, which underwent strong resistance from the ROK Government due to its attempt to shake hands with North Korea over the head of the ROK, now changing its attitude?

We feel the change in Japan's channel of contacts with North Korea from the party to the government, the recent ROK-Japan summit, and the change in the domestic political situation in Japan have caused Japan to change its attitude.

We think the two countries should muster their wisdom in order to continuously maintain their hard-won mutual cooperation in their policies toward North Korea.

#### **ROK: DPRK Soldier Rescued While Drifting in Imjin River**

*SK2607012796 Seoul YONHAP in English  
0117 GMT 26 Jul 96*

[FBIS Transcribed Text] Yonchon, Kyonggi Province, July 26 (YONHAP) — A North Korean soldier was rescued Friday morning while drifting in the upper reaches of the Imjin River in Yonchon.

The soldier was identified as Kim Yong-kil, 20, a staff sergeant who belongs to a Third Army Division Reconnaissance Unit.

Kim was found swimming across the river by a South Korean resident at 6:50 AM and rescued when policemen threw a tube to him.

He was extremely exhausted after being rescued and was immediately sent to a nearby hospital.

#### **ROK Church Group Plans To Give W200 Million in Aid to DPRK**

*SK2407061696 Seoul HANGYORE SINMUN  
in Korean 24 Jul 96 p 3*

[By reporter Kang Tae-ho]

[FBIS Translated Text] The Missionary Policy Committee for Peaceful Reunification under the Methodist Church is pushing ahead with a plan to directly deliver 200 million won, donations collected for providing rice aid to the North, to a North Korean religious organization in August, the Methodist Church authorities said on 23 July. The organization has been conducting a campaign to provide food aid to North Korea.

An official of this committee, which is chaired by Reverend Kim Han-ok, said this, stating: "At the North-South religionists' meeting held in Tokyo in June, Reverend Kang Yong-sop, chairman of the Central Committee of the North Korean Christian Federation, said that his organization will directly receive the goods given as an aid to the North instead of receiving it through an international organization." He said that since the assistance given to the North by the religious circles is a humanitarian activity which transcends political interests, the government should not intervene but permit his church to give the money to the North.

The Methodist Church committee, which is pushing ahead with the aid-the-North campaign jointly with the Korean National Council of Churches, is reportedly planning to deliver to the North the 200 million won, which it has collected since July last year, around 15 August; and to conduct an additional fund-raising campaign.

The government has maintained the policy of limiting the channel of aiding the North by nongovernmental organizations to the ROK Red Cross and not allowing them to aid the North with rice or cash.

**ROK: DPRK Said Seeking Foreign Agricultural Technology**

*SK2407064896 Seoul SEOUL SINMUN in Korean  
24 Jul 96 p 2*

[Report by Washington-based correspondent Na Yun-to]

[FBIS Translated Text] The U.S. Carter Center revealed that North Korea, which is suffering serious food shortages, decided to open its agricultural domains in order to basically resolve its chronic food shortages through an improvement of grain breeding and through the promotion of soil productivity. North Korea will also seek to introduce agricultural technology and cooperation from foreign countries.

According to a report prepared for internal use by the Carter Center's agricultural delegation, which visited North Korea for a week from 4 to 11 June to seek cooperation in agricultural technology, the North Korean authorities admitted North Korea's food shortages were prompted not only by temporary flooding and unseasonable weather, but also by its structural problems, including a backwardness in overall agricultural technology. As such, the North Korean authorities accepted the proposal made by the Carter Center, which called on them to strengthen both exchanges of information and people as well as cooperation with foreign organizations which specialized in agriculture, doing so by opening up its agricultural technology domain.

The major content of the technological cooperation which North Korea intends to push for through the Carter Center is research and experimentation to improve breeding rice, corn, wheat and the like, as well as trees, including pine trees; the training of researchers; and the exchange of information. The research institutes from which North Korea intends to seek cooperation in the future are the Mexican International Bean and Wheat Improvement Center; the Philippines International Rice Research Institute; the Peru International Potato Center; and the Ghana Crop Research Institute. They are affiliated organizations of the International Agricultural Research Center.

**ROK: Editorial Criticizes Assistance to 'Immoral' DPRK**

*SK2607035096 (Internet) The Digital Chosun Ilbo  
WWW in English 1207 GMT 25 Jul 96*

[Editorial: "Kim Chong-il's Secret Economy"]

[FBIS Transcribed Text] Can the North really not help itself before requesting the assistance of others? In circumstances where we are being enticed into participating in an international assistance effort to alleviate the

North's food shortage, and in soliciting North's participation in four-party talks we are discussing the possibility of providing food assistance, we must first undertake a thorough examination of the real situation that prevails in the North.

The North economy can be divided into three: a secret funds economy, a military economy and a people's economy. The secret fund economy is predicated upon the acquisition by Kim Chong-il of property and money in order to maintain a reign of power and lead a lifestyle of luxury by trafficking drugs, counterfeiting hard currency and trading illegally in alcohol. According to a recent defector well versed in the situation prevailing in the North, Kim Chong-il has amassed \$4-5 billion in secret funds composed directly of the hard currency proceeds from the export of gold ingots, mountain mushrooms and fishery products.

The military economy is constituted by preferentially ear-marking budget allotments and for several years the government has cushioned this economy by dedicating to it the proceeds from overseas exports of locally manufactured missiles. The problem is that the economy of the people, whom the government is honour-bound to feed, is bankrupt.

Considering that the people's economy is on the verge of bankruptcy, Kim Chong-il's secret fund should be re-directed. The North government should use these funds to support the ailing people's economy, however the government persists in looking towards international aid. At the same time it unleashes harsh criticism upon South Korea for not demonstrating sufficient affection towards its neighboring comrades.

A recent article contributed to the Washington Post by a former Ambassador to South Korea suggested that the North government has spent \$6 million on embalming Kim Il-song's body and a further \$3 million dollars on repair of the late leader's palace and tomb. A party held in honour of Kim Chong-il cost several millions of dollars and refurbishment of the new leader's palace required an disbursement of \$134 million. The North government in an effort not to be upstaged by the 1988 Olympics in Seoul splurged money on the purchase of 1,000 Mercedes Benz cars for use at the World International Youth Festival and erected a magnificent 105 story hotel at a cost of several hundred million dollars which is yet to be finished.

If Kim Yong-sam's engaged in such petty competition it would give our local activists sufficient ammunition to bring the government down. Those wishing to take an humanitarian approach to Pyongyang should be aware of the immoral attitude of their northern neighbors before readily pledging assistance.

**ROK: LG Sells DPRK-Manufactured Color Televisions in ROK**

*BK2507030596 (Internet) The Joong-Ang Ilbo WWW in English 25 Jul 96*

[FBIS Transcribed Text] North Korean-manufactured color TVs will be sold on the domestic market for the first time beginning next week. LG Electronics decided to market 2,000 units of 20-inch color TVs (model name CNR 2009N) beginning on the 29th. The company had brought in the products from North Korea on two separate occasions in May and June. The consumer price of the TV is 278,000 won, equivalent to that of the same model produced in South Korea (CNR 2009). LG Electronics will bring in 1,000 additional units from North Korea in August. The finished products were commissioned by LG from a North Korean factory.

**ROK: Pakistan Offers Businessmen Investment Incentives**

*BK2407153096 Islamabad THE NEWS in English 24 Jul 96 p 12*

[Report by Salim Bokhari]

[FBIS Transcribed Text] SEOUL — Prime Minister Benazir Bhutto on Tuesday invited the South Korean businessmen to invest in Pakistan where liberal economic conditions offer a host of opportunities in diverse fields.

Speaking at the, Pakistan Investment Conference jointly organized by the Board of Investment and South Korean Chambers of Commerce and Industry here, she said Korean groups can make safe investment in agro-engineering, food processing, chemical, petro-chemical, plastics, electronics, software, hotel and pharmaceutical industries in Pakistan which is a gateway to Central Asian Republics, Gulf and South Asian regions.

She said many leading South Korean companies have already gone into operations in Pakistan, hoping that other Korean groups would follow-the suit and join hands with their Pakistani counterparts in promoting economic [relations] between the two countries.

She said Pakistan has a very productive and responsive labor force which is far cheaper than any other country in South Asia. She said Pakistan offers a deregulated liberalized economy which provides tax reliefs and permits 100 per cent foreign ownership rights. She said her government has also relaxed foreign exchange controls and there is absolutely no restriction on the movement of foreign currency to and from Pakistan.

The prime minister said the country's foreign exchange reserves have touched the two billion dollar mark on June 30, 1996 and are expected to swell during the current financial year. She said the budget deficit would

be reduced to four per cent by the end of this financial year.

Talking about the incentives for foreign investors, she said Pakistan is the only country in South Asia which allows foreign investors to own 100 per cent equity in any manufacturing field of their choice. "Not only this, foreign investors no longer require any permission or sanction for setting up an industry. Dividends and profits could freely be repatriated by foreign investors, and there is no restriction on domestic borrowing by foreign firms for fixed investment. There is also no permission required for seeking foreign loans."

The prime minister said no prior permission of the State Bank is needed for the issue and transfer of share certificates to foreign investors. No resident and foreign investor can invest in the share capital of companies through stock exchanges, and principals, dividends and capital gains against such shares can be freely remitted.

She said all restrictions on the payment of royalties and technical fees and the import licensing system have been abolished and tariff rates on imports substantially reduced. She said Pakistan now enjoys the support and confidence of international lending agencies including the World Bank, IMF, International Finance Corporation and Asian Development Bank. She said the World Bank and IPC [Industrial Finance Corporation] have declared Pakistan one of the top 10 emerging markets. Pakistan has the distinction of receiving the first private sector partial risk guarantee from the World Bank and Asian Development Bank in the financing of its energy sector program.

Earlier speaking on the occasion, South Korean Minister for Trade, Industry and Energy Dr Pak Chae-yun said Pakistan has a huge population and abundant natural resources. Its geographical location offers convenient access to the markets and energy resources of Central Asia and the Middle East. "Korea also has much to offer particularly its strong manufacturing base, market expertise, global business networks and advanced technology."

He said this investment conference is the first to be held following the replacement of GATT with the World Trade Organization. In this period of transition in the global economy, Pakistan and South Korea can help each other adapt successfully to the winds of change. "But in order to do so, we must draw upon energy, enthusiasm and creativity of the business people."

The investment conference was attended by a large number of South Korean investors and their Pakistani counterparts who had flown here for the occasion. Later addressing the Korean businessmen at a luncheon, the

Prime minister said this is the age of private sector and the competition is the name of the game. She said the role of the public sector lies primarily in facilitating the private sector through the development of infrastructure and human resources and the maintenance of macroeconomic stability.

Meanwhile, Federal Minister of Commerce Ahmad Mukhtar opened the Pakistan Industrial Exhibition where Pakistani products are put on display. The exhibition has been organized by the Export Promotion Bureau and 50 stalls have been set-up to attract the Korean business community.

Meanwhile, the prime minister also met her South Korean counterpart Yi Su-song who said ROK will send a high level team to Pakistan to hold talks on employment of Pakistani workers and provision of soft-term loans.

Yi said Korea certainly look to Pakistan as a partner. He said Korea sees no hurdles in the development of close economic relations with Pakistan and is willing to make every effort in this regard. Ms Bhutto gave a presentation to Yi on the human rights violations in occupied Kashmir. The Korean premier said his country is very sensitive about human right violations and said these must come to an end.

#### **ROK: Bhutto Awarded Honorary Degree of Doctor of Law**

*BK2407061496 Islamabad Radio Pakistan Network in English 0300 GMT 24 Jul 96*

[FBIS Transcribed Text] Prime Minister Benazir Bhutto has urged Pakistanis in the Republic of Korea to work hard and earn a good name for the country, as this would open prospects for more jobs for Pakistanis. She was speaking at a reception arranged by Pakistanis living in South Korea in Seoul last evening.

Radio Pakistan's special representative, Abdul Hamid, says the prime minister met different groups of Pakistanis separately and inquired about their problems and nature of their work. Talking to them, the prime minister said that the objectives of her visit to Republic of Korea include not only increasing economic cooperation but also to seek export of more manpower from Pakistan. Pakistani workers in the Republic of Korea also included some from Azad Kashmir, who congratulated the prime minister on her efforts in highlighting the Kashmir problem. The prime minister said victory of PPP [Pakistan People's Party] in Azad Kashmir was a recognition of her government's policies for the cause of Kashmiris and economic development of the country.

The prime minister was awarded the honorary degree of doctor of law at a special function at the Korean University in Seoul this morning, in recognition of her services for democracy, rule of law, and upholding the Constitution. Speaking on the occasion, the prime minister said her government seeks to build a polity on three important pillars of good government, good administration, and clear goals for a better future for the people. She said as we are on the brink of crossing into the third millennium, education is an inescapable imperative. She emphasized that no task is as vital as the task of educationists because they will shape the future of Asian region and of the globe.

The prime minister thanked the acting president of the Korean University for the conferment of the degree and said this was a testimony to the friendship between the two great Asian civilizations.

#### **ROK: Former Attaché in New Zealand Admits Forgery**

*SK2407135296 Seoul YONHAP in English 0816 GMT 24 Jul 96*

[FBIS Transcribed Text] Seoul, July 24 (YONHAP) — Choe Sung-chin, a former administrative attaché at the South Korean Embassy in New Zealand, admitted to forging a Foreign Ministry telegram to the embassy in a Seoul District Court session Wednesday.

During cross-examination, Choe said he forged the classified telegram to the embassy on March 24 last year, three months before the local elections.

"I did so because I wanted to let the people know about the government's plan to delay the elections," he argued.

He said he forged the first telegram by using a typewriter rather than a computer, and upon receiving the second from the ministry, he said he noticed the space reserved for signatures had been erased with correction fluid.

Kwon No-kap, a member of the main opposition National Congress for New Politics, denied the prosecution's charge that he disclosed the telegrams knowing full well that they were forged.

Choe and Kwon have been indicted on charges of forging Foreign Ministry telegrams and making public copies of them despite knowing that they were forgeries, with Choe being held without bond.

**ROK: Unification Ministry Rejects Kim Tae-chung Claims**

**SK2407135396 Seoul YONHAP in English**  
**1027 GMT 24 Jul 96**

[FBIS Transcribed Text] Seoul, July 24 (YONHAP) — The National Unification Ministry on Wednesday rejected as "a case of misunderstanding" the remarks made by Kim Tae-chung, head of the opposition National Congress for New Politics (NCNP), to the effect that "It is wrong for the government to disregard and fail to fulfill the basic South-North agreement."

A comment made by Ministry Spokesman Kim Kyong-ung said his ministry is in the position that the basic agreement that went into force in February 1992 should be implemented and respected by all means.

"Through presidential speeches and statements by the deputy prime minister in charge of unification affairs, the government has time and again urged North Korea to fulfill the basic agreement and put area-by-area joint commissions into operation as specified by the basic agreement," Kim said.

"It is not that our government disregards the basic agreement," he emphasized. "The reason for the failure of the joint commissions to meet was because North Korea boycotted scheduled commission meetings in November 1992 on the grounds of the Team Spirit military training."

Kim Tae-chung said during his meeting with representatives of the religion leaders conference for national reconciliation and unification at his Yoido party office earlier in the day that the government should keep the basic agreement alive unless it has given up national unification.

**ROK: Number of Foreign Trainee Runaways 'Sharply' Decreases**

**SK2407065696 Seoul YONHAP in English**  
**0229 GMT 24 Jul 96**

[FBIS Transcribed Text] Seoul, July 24 (YONHAP) — The number of foreign industrial trainees running away from their contracted employers has sharply decreased since 1994, the Korean Federation of Small Business (KFSB) reported Wednesday.

The proportion of deserters was 9.5 percent (2,001) in the case of the third group of trainees who entered the country in the latter half of last year, compared with 28 percent (2,463) for the second group brought into the nation in October 1994 and 57.7 percent (12,173) for the first group in May 1994, according to the federation.

The average proportion, therefore, runs at 32.68 percent with the total number of deserters reaching 16,637.

The biggest factor for the reduction in runaways is lower airfare rates and commission fees levied on such trainees, according to the KFSB, as well as a longer training period for such workers and thorough and toughened monitoring by relevant authorities against potential runaways.

Depending on the nation, airline expenses for such trainees range from 250-650 U.S. dollars, the KFSB said. Combined with commission fees, total travel expenses for such trainees average 1,400 dollars, the equivalent of four years worth of wages in their home countries.

Because of a relatively short training period, a considerable number of trainees ran away from their employers for higher-paying jobs to make as much money as possible in a short period of time. Therefore, the training period for such workers, first extended from one year to two years, was further extended to three years this month.

"There are many persons from Southeast Asian nations entering the country with tourist visas and staying illegally, but they are being mistaken for foreign trainees and thus the runaway rate is erroneously being considered high," a KFSB source said.

**ROK: MOTIE: Trade Deficit Increased in First Half of 1996**

**SK2507015896 Seoul THE KOREA HERALD in English 25 Jul 96 p 8**

[FBIS Transcribed Text] Korea's trade deficit in the first half-year topped \$7.65 billion, an increase of \$628 million from a year earlier, the Ministry of Trade, Industry and Energy [MOTIE] reported yesterday.

Exports in the first six months rose 11.8 percent to \$65.1 billion, and imports climbed 11.5 percent to \$72.75 billion, respectively, on a customs cleared basis, according to the ministry's final tally.

June exports edged up 1.7 percent from the same month of 1995 to \$11.43 billion while imports fell 1.1 percent to \$11.7 billion, narrowing the monthly gap to \$270 million, compared with the \$312-million shortfall a year earlier, it showed.

By industry, foreign shipments of such heavy and chemical products as petrochemicals, steel and precision machinery dropped by 2.1 percent to 23.3 percent.

The growth of semiconductor exports remained at 15.2 percent in the first six months, far below the

57.1-percent jump a year ago, as the second-quarter shipments marked a negative 17.2 percent increase, it said. Its share of the nation's total exports also dropped to 15.9 percent from the 17.7 percent a year earlier.

Light industrial goods exports also remained in the doldrums, as shown by textiles (-11.8 percent in shipment gains) and footwear (- 20.7 percent).

Exports to developing countries soared 20.6 percent on the average, but shipment growth to industrial markets stood at only 2.8 percent.

Imports of raw materials and capital goods slowed their tempo to 14.1 percent and 5.7 percent, respectively, while those of consumer goods jumped 21.3 percent. Items showing particularly strong import growth rates were passenger cars (71.6 percent), hand phones (61.7 percent), cosmetics (49.6 percent), garments (44.3 percent) and furniture (37.9 percent).

Imports from the United States rose by an average 13 percent, bolstered by steel (29-percent increase), petroleum products (23.1 percent) and grain (29.2 percent).

#### **ROK: Reliance on 'Imported Intermediary Goods' Reason for Deficit**

*SK2507031196 Seoul THE KOREA TIMES in English 25 Jul 96 p 9*

[FBIS Transcribed Text] Korean manufacturers rely too heavily on imported intermediary goods and this is one of the primary reasons for the increases in the nation's trade deficit, the Bank of Korea [BOK] said in a report yesterday.

The ratio of imported intermediary goods needed to manufacture a finished product was tallied at 18.3 percent in Korea in 1993, 2.6 times Japan's 7.0 percent in 1990.

The average figure for the nation's 20 leading consumer products was 23.9 percent, compared with 10.4 percent in Japan the report said.

#### **ROK: MND Plans To Give Assembly Advance Notice on Major Exercises**

*SK2407063796 Seoul KBS-1 Radio Network in Korean 1100 GMT 22 Jul 96*

[FBIS Translated Text] Defense Minister Yi Yang-ho said the Ministry of National Defense [MND] will inform the National Assembly in advance of large military exercises. He stated this at the interpellation session at the National Assembly's National Defense Committee.

Minister Yi Yang-ho said that since the next two to three years will be a critical period in determining the future

course of our national defense, the MND will formulate a policy for the overall development of national defense for the period until the end of this year apart from the present plan for the improvement of our defense capability.

In the interpellation, Kwon No-kap, lawmaker from the National Congress for New Politics, said that four of the six senior military officials, such as the Army chief of staff and a key assistant chief of staff at the ROK Army Headquarters, as well as eight of the 13 three-star generals at the army corps-commander level, are found to be from the Pusan-South Kyongsang Provincial area, stressing that personnel actions in the military partial to those from the Pusan- South Kyongsang Provincial area have become all the more conspicuous since the present regime came to power.

#### **ROK: 'Discharged' Journalists File Lawsuit Against Ex-Presidents**

*SK2407135496 Seoul YONHAP in English 0738 GMT 24 Jul 96*

[FBIS Transcribed Text] Seoul, July 24 (YONHAP) — Twenty seven journalists, who were coercively discharged from their jobs by the so-called "new military elite" led by then Army Maj. Gen. Chon Tu-hwan in 1980, went to court seeking damages from eight of the defendants now standing trial for their roles in the Dec. 12 military revolt and May 18 Kwangju uprising, ex-President Choe Kyu-ha and the government.

The journalists filed the lawsuit in the Seoul District Court Wednesday, demanding compensation for the financial damages and mental distress they suffered as a result of being forcibly unemployed.

In a written complaint, the journalists insisted, "Chon and his followers should compensate for wages and emotional pain during the term of our unemployment since they illegally and forcibly dismissed us after seizing control of national affairs through the Dec. 12 military rebellion."

The complainants also argued that former President Choe had blundered by failing to prevent the illegal actions of Chon and his followers even though he was in a supervisory position and instead encouraged them by expanding martial law.

The nation also has a responsibility to make reparations since Chon and his followers were public servants at that time, the accusers continued, adding that the amount of compensation will be calculated later.

**ROK: Witness Says Special Warfare Head  
Oversee Kwangju Crackdown**

**SK2507084796 Seoul YONHAP in English  
0751 GMT 25 Jul 96**

[FBIS Transcribed Text] Seoul, July 25 (YONHAP) — Chong Ung, former commander of the 31st Army Division, said Thursday that the harsh crackdown on the pro-democracy demonstrators in Kwangju in May 1980 was supervised by the then commander of the Special Warfare Forces, Gen. Chong Ho-yong.

Testifying in his capacity as a witness before a panel of judges in the 24th session of the court hearing on the Dec. 12 military rebellion and May 18 Kwangju massacre, Chong said, "Commander Chong Ho-yong was virtually heading the brutal suppression."

Chong said, "After May 20, in particular, the control of airborne forces was completely taken out of my division and fell into commander Chong's hands. Chong never formally reported the operational situation to me."

The witness said, "The May 18 incident, in a word, was a development that occurred because the new military elite (former president Chon Tu-hwan and his followers) mobilized paratroopers arbitrarily to seize power."

Three other former army officers, including Choe Se-chang, then commander of the 3rd Airborne Special Forces Brigade, took witness stand.

**ROK President Urges Cabinet To Take Measures  
on Gang Crime**

**SK2607034796 Seoul YONHAP in English  
0238 GMT 26 Jul 96**

[FBIS Transcribed Text] Seoul, July 16 (YONHAP) — President Kim Yong-sam instructed the cabinet Friday to stamp out organized violence so that the people may lead a peaceful and secure life, pointing out that protecting people from violence is one of the government's responsibilities.

Kim gave the instructions in connection with the recent beating of a citizen by a gang in Mokpo when he received Prime Minister Yi Su-song's weekly business report, presidential spokesman Yun Yo-chun said.

The gangsters involved in the beating must be dealt with strictly in accordance with the law, the chief executive stressed.

Kim has sent Cho Ho-yon, who was injured in the beating incident, a letter expressing regrets for his suffering and wishing him a quick recovery. The president also promised him that the gangsters would be punished in strict accordance with the law.

**ROK: Settlement of Hyundai Motors Labor  
Dispute Viewed**

**SK2407074296 Seoul YONHAP in English  
0542 GMT 24 Jul 96**

[FBIS Transcribed Text] Seoul, July 24 (YONHAP) — Management and the union at Hyundai Motor Co. reached a negotiated settlement over wages and other labor-management disputes Tuesday [23 July].

The automaker, the largest in Korea, has the biggest labor union, and therefore, any labor settlement that is made without "outside meddling" and by itself that takes place at the company has great implications for the auto industry's stable growth and the recovery of its competitive edge as a whole, not to mention its influence on other Hyundai subsidiaries with labor problems.

The company management had to go through the pain of having a tentative settlement voted down by the union's general meeting, but persevered and continued dialogue with the union and was able to reach settlement.

As a result, Hyundai has set a record for solving labor issues without walkouts for three consecutive years, and in the process, it has been able to get out of the "super strong" image often associated with extreme confrontational actions during labor strife.

Labor-management negotiations at the auto company, which started May 14, and reached a tentative agreement July 9 only to be voted down in the union's general meeting, were sharply divided on the issue of a new special allowance, and the readjustment.

Both management and union officials kept cool and returned to the bargaining tables, and agreed on a number of issues: a salary increase of 80,500 won across the board; a 200 percent special bonus on company operation results; the payment of 500,000 won for quality improvement and 350,000 won as an encouragement for having no labor problems and others. The union voted to accept the settlement conditions with 70.33 percent in its favor.

The settlement was reached in a smooth manner, mainly because of the will of both management and labor to settle things through negotiations without losing trust in each other, although the lack of major conflicts, and therefore, no need to hold biennial collective bargaining this year, also helped a lot.

The union at Hyundai Motor was known for its tough, sometimes, violent series of protests moves until 1993, in concert with its union members at its Hyundai heavy affiliate. Sometimes, they became bloody and invited intervention by public law enforcement authorities to quell them.

The union's new leadership headed by Yi Yong-pok, which took over in September, 1993, began to follow a more moderate line and policies that would bring benefits to the unions, which built mutual trust between management and labor. Chong Kap-tok's new labor management which took over in September, last year, has continued the tradition.

The new labor leadership did have problems at first with the extreme factions opposed to the moderate approach of the new leadership, staging partial walkouts in connection with the suicide last May of Yang Pong-su, one of the workers let go by the company. The new leadership opened negotiations with management on the issue and succeeded in reinstating 21 discharged workers.

The negotiated settlement at Hyundai is going to have an impact on the auto industry's early settlement of union issues, its recovery of international competitiveness, and improved national economy.

Hyundai Precision Industry Co. is still having a tough time with its union, but the settlement at the motor company will help settle labor problems at its affiliates because the union at Hyundai Motor has been a core power for all unions at Hyundai Group.

#### **ROK: Samsung, Daewoo, Korean Air Study Joining 'Super Jet Project'**

*SK2407055696 Seoul YONHAP in English  
0509 GMT 24 Jul 96*

[FBIS Transcribed Text] Seoul, July 24 (YONHAP) — Samsung Aerospace Co., Korean Air and Daewoo Heavy Industry organized a joint research team to study the feasibility of their participation in the super passenger jet development project initiated by Airbus Co., business sources said Wednesday.

The move followed a request made by Airbus for the participation of Korean aviation companies in the super jet project. Airbus forwarded the request in letters sent separately to the Trade, Industry and Energy Ministry, and the Korean companies, according to the sources.

The Korean companies launched the joint feasibility study team because there are financial limits to which they can individually take part in the A3XX project which requires an investment of 8 to 14 billion U.S. dollars.

Samsung Aerospace and Korean Air early this year indicated an interest in participating in the A3XX project, but Airbus suggested the joint participation, noting that any individual Korean company would be financially hard put to join the project as even the

minimum stake of 10 percent requires 800 million dollars, according to the sources.

#### **ROK Decides To Allow Private Capital To Build Inchon Airport**

*SK2407071796 Seoul YONHAP in English  
0556 GMT 24 Jul 96*

[FBIS Transcribed Text] Seoul, July 24 (YONHAP) — Private capital will be used to build in-flight food service supply and aircraft and other maintenance service facilities at the Inchon International Airport, now under construction on Yongjung Island off Inchon city.

The Construction and Transportation Ministry said Wednesday that it decided to allow private capital in the three facilities, and the decision will be on a public notice by the end of next month for the ministry's acceptance of basic project plans by interested private firms.

The ministry earlier announced the allowance of private capital in a number of key facilities such as a cargo terminal, fuel storage depots, and a combined heat and energy complex, among others at the new airport.

The ministry will select the private investors for the projects by the end of this year, and let the construction begin at the end of 1997 for these projects, aimed at completion by the end of 1999, the same time the new airport construction is scheduled to be finished.

The in-flight food service facility to be built on a 50,000 square meters of land by the cargo terminal is going to cost 40 billion won (49.2 million U.S. dollars), and will be equipped to supply 60,000 meals a day, nearly double the current capacity at Kimpo airport.

The aircraft maintenance facility, which will be made of two large structures on a 38,000 square-meters of land at an estimated cost of 100 billion won (123 million dollars), will be equipped to handle two large passenger jets simultaneously, and later with a capacity to handle a super large passenger aircraft.

A ground maintenance shop to be built with a total investment of 10 billion won (12 million dollars) will handle repairs for support equipment and facilities both for cargo and passenger terminal services.

Ministry officials said a number of foreign food catering firms such as LSG, a Lufthansa affiliate, are interested in the food service facility due to its high profitability.

**ROK: Operational Rate of Nuclear Power Plants Ranks 87.3 Percent**

SK2507061296 Seoul YONHAP in English  
0527 GMT 25 Jul 96

[FBIS Transcribed Text] Seoul, July 25 (YONHAP) — The operational rate of the nation's nuclear power stations is known to be higher than others in the world.

According to "Performance of the Nation's 11 Nuclear Power Stations" released Thursday by the Ministry of Trade, Industry and Energy (MOTIE), the average operational rate, which is calculated by dividing actual

power generation by the stations' maximum electricity production capacity, was 87.3 percent last year, compared with the 71.6 percent world average.

In 1995, the United States registered 76.7 percent, Japan posted 78.5 percent and France marked 70.5 percent, according to the MOTIE.

The number of suspensions due to snags totaled 11, meaning that domestic atomic power bases experienced an average of 1.1 stoppages, compared with 2.2 in the United States, 2.4 in France and 3.5 in Taiwan, according to MOTIE.

### Burma

#### Burma: Ohn Gyaw Returns From ASEAN Meeting in Jakarta

*BK2507154696 Rangoon Radio Myanmar in Burmese 1330 GMT 25 Jul 96*

[FBIS Translated Text] U Ohn Gyaw, minister of foreign affairs, arrived back in Yangon [Rangoon] by air this afternoon after attending the 29th ASEAN Ministerial Meeting held in Jakarta, Indonesia, on 20-24 July.

He was welcomed at Yangon International Airport by Brigadier General Abel, minister of national planning and economic development; Major General Saw Lwin, minister of labor; U Nyunt Swe, deputy minister of foreign affairs; responsible personnel from the foreign ministry, and the ambassadors from the ASEAN countries.

U Khin Maung Lay, director general of Foreign Affairs Department; U Wai Lin, deputy director; and U Aye Lwin, assistant director; also returned with the minister.

#### Burma: Home Affairs Minister Warns of Destructionists' Threat

*BK2607014396 Rangoon Radio Myanmar in Burmese 1330 GMT 25 Jul 96*

[FBIS Translated Text] The 1996 first semiannual work coordination meeting of the Bureau of Special Investigation under the Ministry of Home Affairs was held at the ministry's Meeting Hall at 1100 today. Lieutenant General Mya Thinn, member of the State Law and Order Restoration Council [SLORC] and minister of home affairs, attended the meeting and delivered an address.

Lt. Gen. Mya Thinn said at the time when attempts are being made to build a peaceful, modern, and developed nation, the pessimistic destructionists — the so-called politicians — and unscrupulous entrepreneurs are able bribe every strata of government departments. Therefore, responsible personnel from departments concerned should warn employees to refrain from bribery and corruption. He warned severe action will be taken against those who violate regulations.

The minister noted that since taking over state responsibilities, the SLORC have been striving for the nation's benefit, the rule of law, and peace and tranquility. Step by step, measures have been taken to transform the country into a multiparty democracy system with a market-oriented economy. Strong policies and firm objectives have been laid down for the pursuit of these goals.

He said this is the time when the state is systematically moving towards the national goal of building a

peaceful, modern, and developed nation. Mya Thinn explained that substantial success has been achieved in accordance with the political, economic, and social objectives within the national policy framework of nondisintegration of the union, nondisintegration of national solidarity, and perpetuation of national sovereignty.

Lt. Gen. Mya Thinn urged the need for security and intelligence awareness because of the activities of pessimistic persons and internal and external destructionists. Internal and external destructionists, who despise the country's stability and economic development, are using various means to create direct confrontation and instability. To effectively prevent these acts, the SLORC has issued The Law to Protect the Peaceful and Systematic Transfer of State Responsibility and the Successful Performance of the Functions of the National Convention against Disturbances and Oppositions.

The minister said at the time when the nation is facing the threat of external intimidation and destructive acts by internal axe-handles, the national races, which is the nation's true fundamental force, should be united and become a firm national force and participate in defending against these threats. He finally urged all to play a part in building a peaceful, modern, and developed nation in concert with the political, economic, and social objectives.

### Brunei, Malaysia & Singapore

#### Singapore

##### Singapore: Premier Goh Said To Back Japan-U.S. Security Pact

*OW2607070796 Tokyo KYODO in English 0555 GMT 26 Jul 96*

[FBIS Transcribed Text] Singapore, July 26 KYODO — Singapore sees the Japan-U.S. security partnership as vital to ensure the peace and prosperity of the Asia-Pacific region, Prime Minister Goh Chok Tong said Friday.

The Premier threw his support behind the bilateral military regime in a meeting with visiting Japanese Foreign Minister Yukihiko Ikeda, a Japanese official said.

Ikeda, who arrived in Singapore on Thursday, briefed Goh on the Japanese-U.S. agreement to strengthen defense cooperation, reached during U.S. President Bill Clinton's state visit to Japan in April, the official said.

The Prime Minister singled out China as a key player in the Asia-Pacific region for the years to come and pointed

to the need to invite the country to join international forums, rather than to exclude it, the official said.

Ikeda echoed the view, saying it is important to integrate China into international society as a "constructive partner," according to the official.

Goh and Ikeda also agreed that their countries should cooperate closely in bringing to a successful conclusion an inaugural ministerial meeting of the World Trade Organization (WTO), set for December in Singapore.

Ikeda is visiting Singapore on the second leg of a three-nation Southeast Asian tour. Prior to his arrival here, he was in Indonesia to attend a series of high-level talks sponsored by the Association of Southeast Asian Nations (ASEAN).

He will travel to Vietnam on Saturday before returning to Japan on Monday.

#### **Singapore: Ministry Announces Stepping Up of Relations With Japan**

*BK2607041196 Singapore THE STRAITS TIMES in English 26 Jul 96*

[Report by Edward Tang — received via Internet]

[FBIS Transcribed Text] Singapore and Japan have agreed to step up bilateral relations, described as excellent by their foreign ministers, by strengthening political consultations between their foreign ministries.

This agreement was reached between Foreign Minister Shunmugam Jayakumar and his Japanese counterpart, Mr. Yukihiko Ikeda, yesterday, shortly after the latter arrived on a two-day official visit to Singapore.

A Foreign Ministry spokesman said the first consultation between the two ministries was expected to be held in the next few months.

She said the two ministers reviewed the relations between Singapore and Japan and agreed that they were "excellent".

The two ministers also agreed to enhance relations by ensuring high level representation at the Second Japan-Singapore Symposium, which will be held later this year in Singapore.

The symposium was first proposed in 1994 by the then Japanese Prime Minister Tomiichi Murayama during a visit to Singapore.

Its aim is to provide politicians, bureaucrats, business leaders, academics and journalists from both sides a forum to exchange views on common concerns so as to deepen mutual understanding and promote closer bilateral ties.

The inaugural symposium in what was to be a regular series was held in Tokyo in September last year. Another way to enhance relations, the two leaders agreed, was to review and broaden the framework of technical assistance to third countries.

On regional cooperation, the MFA [Ministry of Foreign Affairs] spokesman said that the two ministers agreed to consult and cooperate as the joint Asian coordinators of the Asia-Europe Meeting (Asem).

The two leaders also reaffirmed their commitment to work closely in the run-up to the World Trade Organization Ministerial Conference which will be held from 9-13 December in Singapore to ensure its success.

Mr. Ikeda, accompanied by a delegation of senior Foreign Ministry officials, represented Japan at the ASEAN Regional Forum and the ASEAN Post-Ministerial Conference with its dialogue partners in Jakarta earlier this week.

He was hosted to dinner by Prof. Jayakumar after their meeting yesterday and will call on Prime Minister Goh Chok Tong, Deputy Prime Minister Lee Hsien Loong and Senior Minister Lee Kuan Yew today. He leaves tomorrow for Vietnam, the third and final leg of his visit to this region.

#### **Singapore: Tokyo Official Urges Rangoon To Talk to Opposition**

*BK2607114096 Hong Kong AFP in English 1127 GMT 26 Jul 96*

[FBIS Transcribed Text] SINGAPORE, July 26 (AFP) — Japan wants the Burmese military junta to open a dialogue with its opponents and would approve future aid programs in tandem with the democratisation process, a Japanese official said here Friday.

Japanese Foreign Minister Yukihiko Ikeda, currently on an official visit to Singapore, held talks with Burmese Foreign Minister Ohn Gyaw on the sidelines of the ASEAN annual meeting in Jakarta, which ended Thursday.

Japanese foreign ministry spokesman Ken Shimanouchi, briefing journalists here on the talks, said Ikeda focused on the drafting of a new constitution in Burma, currently being undertaken by delegates handpicked by the junta.

"We are of the position that the drafting process of the constitution should absorb the full range of views that exist in Myanmar, [Burma] and we think that this should be done in a balanced manner," Shimanouchi said.

Myanmar is the name given to Burma by the junta, which seized power in 1988, triggering a freeze in Japanese aid.

Tokyo resumed low-level aid last year after opposition National League for Democracy (NLD) leader Aung San Suu Kyi's release from house arrest by the junta, known as the State Law and Order Restoration Council (SLORC).

"Japan hopes that the SLORC government and the NLD overcome the current tension, the tense situation right now, and initiate dialogue on the democratization of Myanmar," Shimanouchi said.

"Japan has channels of communication with both the government and the NLD and we intend to make use of these channels in order to call on both sides to initiate dialogue," he added.

Japanese aid so far is limited to projects that directly benefit the people, notably a nursing school, and future programs will be studied on a case-to-case basis "while taking into account the trends in democratisation and human rights" in Burma, he said.

"Currently we are looking at the situation in Myanmar very closely and we are addressing the question of more aid to Myanmar very cautiously," Shimanouchi added.

Tokyo, however, is not meddling with private Japanese investment in Burma, he said.

On Thursday, two Japanese business delegations called on senior officials in Burma to discuss investment, state-run Radio Rangoon reported.

Delegations from Yasuda Farms and Marine Insurance Co. Ltd. and Itochu Corp. held separate meetings with Deputy Premier Maung Maung Khin and National Planning and Economic Development Minister David Abel, said a report monitored in Bangkok.

#### **Singapore: Minister 'Satisfied' by ASEAN Handling of Burma Issue**

BK2607032096 Singapore THE STRAITS TIMES in English 26 Jul 96

[Report by Lee Kim Chew in Jakarta — received via Internet]

[FBIS Transcribed Text] Despite sharp differences over some issues, ASEAN and its key dialogue partners had found a way to discuss difficult problems without endangering their relationship, Foreign Minister Shunmugam Jayakumar said yesterday.

Both sides realized that there was a lot at stake and much benefit to derive from good relations even when they disagreed on sensitive issues such as Myanmar [Burma].

He said: "Yes there were specific problems, but we agreed to manage the specific problems in a way that did not undermine or derail the important processes."

This was why the initial fears that ASEAN's ties with the Western countries would run into problems did not materialize, said Prof. Jayakumar, who was summing up his views on the ministerial meetings here.

He cited as an example the talks in the ASEAN Regional Forum [ARF] on Myanmar's military regime, which had been condemned in the West for suppressing the pro-democracy movement and human rights abuses.

"This could have been a real problem if it had not been managed properly. There were some countries, particularly the European Union [EU], the US and Canada, which had strong views that the issue be discussed in the ARF," he said.

But ASEAN countries, which practiced constructive engagement with the generals, felt that the forum should neither interfere in Myanmar's internal affairs nor discuss them in a confrontational manner.

The way Myanmar was handled demonstrated a high degree of flexibility and innovation in the ARF in dealing with sensitive issues, he noted.

Indonesian Foreign Minister Ali Alatas, the ARF chairman, relayed the views of the Western countries to Myanmar's Foreign Minister Ohn Gyaw, who was given an opportunity to explain his government's policy.

Said Prof. Jayakumar: "I personally feel that for the ARF, it was an incremental step forward and the result of the good offices of the chairman is an instrument the ARF might carefully want to consider to handle possible future sensitive issues."

If this was managed properly, the ARF would have taken a step forward towards reaching the next stage of preventive diplomacy, he added. "We are still at confidence-building. But this recent ARF meeting showed that there is room for innovation, flexibility to advance the process forward."

Among the diplomats, there was a sense that the meetings here achieved what they possibly could with regard to Myanmar. The Western countries now had a better idea of ASEAN's engagement policy as well as Myanmar's problems.

But there was also a greater expectation of political change in Myanmar now that it was drawn back into the regional mainstream as an ASEAN observer and ARF member.

The EU, which has been considering economic sanctions against Myanmar, remained unhappy at the status quo. Said Dutch Foreign Minister Hans van Mierlo:

"Satisfied is perhaps not the right word for the situation, which is not very satisfying.

"We are satisfied that we could discuss the problem here...But I recognize there is a problem and we have to see what comes out next."

Secretary of State Warren Christopher had said the US wanted to work with ASEAN, but it retained the option to take strong action to force political change in Myanmar.

Prof. Jayakumar expressed satisfaction that despite the differences, ASEAN-EU relations would be taken to new heights. When Asean and EU ministers met yesterday to discuss cooperation, they emphasized the positive aspects of their relationship, he said.

Both sides understood that the differences had to be managed in a way that did not undermine the big picture.

"This was the unanimous feeling today," he added.

### Cambodia

#### **Cambodia: Ranariddh Urges Border Settlement with Vietnam**

*BK2507160896 Phnom Penh National Radio of Cambodia Network in Cambodian 1100 GMT 25 Jul 96*

[Speech by First Prime Minister Norodom Ranariddh at the inauguration of primary school buildings in Romeas Hek District, Svay Rieng Province on 25 July — recorded]

[FBIS Summary] In this 45 minute-speech, First Prime Minister Norodom Ranariddh conveys King Norodom Sihanouk's greetings to the people and praises them for their efforts and achievements in agriculture, waterworks, and education. He also talks about the recent meeting in Tokyo saying that "the international community and international organizations have decided to continue assisting Cambodia in 1996, 1997, and 1998. They will continue to give us aid."

Ranariddh also talks about the country's currently high birth rate, three percent a year, and calls for efforts to slow it down. He cites similar experiences and research done in Indonesia and says that in terms of population "The Kingdom of Cambodia should have 20 million people to resist neighboring countries. To the east of us is Vietnam with 75-76 million and to the west, Thailand, with 62-63 million." However, Ranariddh cautions that there should be a strong economic development to sustain population growth saying that "otherwise the demographic development would eat up economic development."

Ranariddh then talks about his donation and the government's to develop education in the area.

At the end of his speech Ranariddh refers to the border problem with Vietnam saying that "The Royal Government has once, twice, sent delegations to Vietnam. Now we will call on Vietnam to come to Cambodia to talk about an agreement, and the joint communique dated 17 January. If Vietnam says it does not want to talk about this but want to go straight to the border issue instead, the Royal Government would like to inform you here that we have experts who have done research in France. They have maps and reports on the border demarcation, and agreements signed between the French and French — the French in Cambodia and the French in Vietnam. Since southern Vietnam belonged to France then, France encroached on Cambodia. Let's be frank. We have got documents and Cambodia is ready. We were not earlier. We now have maps and sufficient historical documents. Vietnam says it want to resolve the problem at Dong village, and if the border problem is not resolved, let me inform you that the Royal Government and our Cambodian experts are ready to invite the Vietnamese to sort it out. We have to resolve it. I absolutely will not accept it if others want to take advantage of Cambodia." [applause]

Ranariddh adds that "the issue at Dong village cannot be resolved because Vietnam realizes that Cambodians are split and do not agree on the issue. Now to avoid people criticizing me, I think we did the right thing by signing the 17 January 1995 joint communique in Hanoi. We were right to demand that Vietnam withdraw. The communique was very clear. Now Vietnam is going around this and refuses to agree with it. It wants to talk about the border. I am sorry for raising my voice when I talk about this, I want to talk smoothly. I have been accused of raising the border problem as a political issue to reap benefits personally and for the political party. This is not so, I swear. If there is no problem, how can I raise it? I only want to be on good terms with Vietnam, Thailand, and Laos."

Ranariddh adds "His Majesty the King suggests we hold talks to end the border issue. Cambodians do not want conflict. As for Thailand, three to four provinces were simply taken away from us. We have been reduced so much and still people want to harm us. I swear to you that I am not making this up and raising this issue for personal gain. Here, in front of me, look at this banner saying Vietnam has taken away farm land. This is a national issue. Let's be clear about this."

Ranariddh concludes by saying that "As the first prime minister, having seen this banner in front of me, should I ignore this to avoid being accused of using the issue

for political ends? No, this cannot be. I have been elected to lead the state, meaning to defend the country's independence and territorial integrity, is not that so? We have not been elected to sell land and the nation away but to defend it. What should I do now that I see this banner? So, I am asking some politicians to have pity on the people. Let me be frank with you. I swear, nobody wants war. It is a great hardship. We have suffered greatly because of war. Therefore, no one wants war but we have to defend our territory."

### Philippines

#### Manila, Tokyo Agree To Develop Cooperative Relationship

*BK2607061596 Manila PNA in English  
0125 GMT 26 Jul 96*

[Received via Internet]

[FBIS Transcribed Text] Manila, July 24 (PNA) — The Philippines is expecting increased Japanese investments in the country with the signing of a Letter of Understanding (LOU) between the Board of Investments (BOI) and Japan Institute for Overseas Investment (JOI) on July 18 at the JOI headquarters in Tokyo.

Signing for the Philippines was Trade and Industry Undersecretary and BOI managing head Alfonso S. Salazar while Japan was represented by JOI president Jun-ichi Nakagawa.

With the signing of the LOU, Japan and the Philippines agree to develop the cooperative relationship through a variety of activities that would be of mutual benefit to both parties such as consultations, joint research on the investment climate in the country, and participation in seminar on overseas investment to be held by either party.

Undersecretary Salazar said with the agreement, JOI will now be focusing on RP [Republic of the Philippines] as a single investment destination and will be sending a team to the country from July 27 to conduct research on the investment climate.

JOI is a Japanese organization which assists in the sound and well-balanced development of Japan's overseas direct investment by collecting and analyzing a variety of information on overseas investment under the support of the Export-Import Bank of Japan and its member countries.

Meanwhile, the LOU is expected to encourage more Japanese nationals to invest in the Philippines.

In 1995, Japanese investment to the Philippines amounted to \$102.069 million, representing 2.14 percent of the total foreign investments. Most of

these Japanese investments were in manufacturing, infrastructure, fishery, and tourism-related services.

Likewise, the agreement is also expected to narrow the trade gap between the two countries. For the past 10 years, trade has always been in favor of Japan.

In 1995, total RP trade with Japan amounted to \$8.704 billion, making it the country's second biggest trading partner, having garnered 19.79 percent of total trade. RP expected \$2.747 billion and imported \$5.956 billion.

For the period January to May this year, two-way trade between the two countries reached \$4.017 billion with imports totalling \$2.641 billion while exports amounted to \$1.376 billion.

#### Philippines: Ramos Approves Opening of Consulate in Ho Chi Minh City

*BK2607054396 Manila PNA in English  
0125 GMT 26 Jul 96*

[Received via Internet]

[FBIS Transcribed Text] Manila, July 24 (PNA) — President Fidel V. Ramos today approved the opening of a Philippine consulate general in Ho Chi Minh City (formerly Saigon) to further enhance bilateral and economic relations with Vietnam and to protect the rights and welfare of the increasing number of Filipinos living and working in that city.

The opening of the country's consulate general in Ho Chi Minh was part of the commitment made by the president to the Vietnamese Government during his state visit to Vietnam in March 1994.

Foreign Affairs Secretary Domingo Siaazon said the government's presence in Ho Chi Minh City "would greatly facilitate trade and other economic linkages and opportunities" offered by the huge Southern Vietnam market.

Siaazon informed the president that 22 other countries have established consulates general in Ho Chi Minh City. Among them are Indonesia, Malaysia, Singapore, and Thailand, all members of the Association of Southeast Asian Nations.

The United States, Siaazon added, is also expected to open soon a consulate in Ho Chi Minh City.

### Thailand

#### **Thailand: Editorial on ASEAN Meet, Differences With West on Issues**

**BK2607041596 Bangkok BANGKOK POST**  
in English 26 Jul 96 p 4

[Editorial: "East-West Confrontation in ASEAN and the WTO"]

[FBIS Transcribed Text] ASEAN foreign ministers and their counterparts discussed a whole range of subjects during almost a week of meetings in Jakarta. The development of the Mekong Basin, nuclear weapons testing, and new membership of the ASEAN Regional Forum, the security talking shop, came up.

But none of those other issues will feature when future historians look back at the 1996 ASEAN annual conference. The first two days, when ASEAN ministers met on their own to discuss the group's internal affairs were completely overshadowed. In the end, two issues dominated: Burma and the World Trade Organisation (WTO).

Perhaps Jakarta 1996 will also be remembered as the year of the "footprint", the new geographical area (Northeast Asia, Southeast Asia and Oceania) to be used to define whether countries can join the ASEAN Regional Forum. ASEAN's diplomatic methods continue to rely on inventive linguistics.

But above all, this meeting will be remembered as the one where ASEAN invited Burma to become an formal observer and to participate in the security forum. A lot has already been said about the merits or non-merits of that other product of linguistic creativity: "constructive engagement". Nevertheless, the Jakarta meeting has highlighted some interesting points.

For a start, ASEAN is itself unrealistic on Burma. It takes great pride in what is seen as its increasing maturity, its ability to initiate international activities (such as the regional security forum), and the fact that it no longer has to follow the lead of the Western powers. And yet its reluctance to broaden its values beyond self-interest shows that ASEAN still has a long way to go.

Some ASEAN governments insist that they do want to see Burma become more democratic, and that constructive engagement is the best way to achieve this. But in practice ASEAN is not really doing much to counterbalance the legitimacy it is giving to the Rangoon dictators by bringing Burma unconditionally into ASEAN activities.

To its credit, the Thai Foreign Ministry did send an observer to a recent opposition event. But the signals from Thailand have been mixed, and ultimately all that

Thai officials and ministers are really concerned about is protecting Thai commercial interests and preventing the sort of challenge to the State Law and Order Council that would cause border problems and more refugees. This year's ASEAN host, Indonesia, is not entirely blameless in its dealings with opposition parties either.

One interpretation is to view the Jakarta meeting as an occasion where the Western countries turned ASEAN into a forum for condemning Burma. That would be a slight exaggeration, since the ASEAN countries stood their ground. But it does mean that Jakarta 1996 was a venue for unusually intense East-West confrontation, not only on Burma, but also on the introduction of labour rights and corruption as new responsibilities of the WTO. Some see Jakarta 1996 as a rehearsal for the 120-nation WTO ministerial meeting in Singapore in December.

Again, the pros and cons of the various positions on the WTO have been discussed at length before, but some points deserve comment here. One is the sadly defensive position ASEAN has adopted on the controversial WTO issues. ASEAN has run out of ideas, and has little to propose for the WTO meeting other than to say "no". That is not the way to ensure the WTO serves ASEAN interests.

There is a possible link between the controversies over Burma and the WTO. ASEAN is right to oppose bringing labour and other human rights into the WTO. It is right to say that these issues should be handled in other forums. One such forum is ASEAN itself.

ASEAN's position in the WTO would carry so much more weight if ASEAN, as a group of like-minded neighbours, were to demonstrate that they genuinely care about issues other than their own narrow commercial interests.

In other words, ASEAN should devise its own "footprint" of decency. It should state clearly that its members must observe standards of decent behaviour, and that the kinds of practices undertaken by the SLORC are unacceptable.

#### **Thailand: Central Bank Predicts Economic Rebound**

**BK2607064296 Bangkok BUSINESS DAY in English**  
26 Jul 96 p 1

[Unattributed Report]

[FBIS Transcribed Text] Bank of Thailand (BOT) Governor Roengchai Marakanon yesterday predicted a significant economic recovery during the second half of this year while acknowledging that an economic slowdown occurred during the first half.

Mr. Roengchai pointed to lower exports as the main culprit in the economy's recent lackluster performance.

"The Thai economy during the first half of 1996 continued on the downward trend of the second half of last year because export growth declined considerably and at a faster rate than expected," he said.

"During the second half of 1996, the economy is expected to expand at a better rate than the first half due to higher levels of exports, improved agricultural output, and an economic stimulus stemming from government spending," the governor added.

Mr. Roengchai predicted second half improvements in Thai exports on expansion in the economies of Japan and the European Union (EU).

Improvements in the international trade sector of the Thai economy may already be underway. The June trade deficit declined 12 percent from the same period last year to 27 billion baht, following a significant reduction of 28.6 billion baht in May. June imports rose 5.8 percent year-on-year to 151 billion baht while exports grew at a faster rate of 10.7 percent year-on-year to 124 billion baht.

As for future interest rate levels, the governor said they should be determined by market forces, adding that for the sake of consumer protection, he will not condone banks reducing deposit rates while keeping lending rates high.

A BOT mid-year report predicts substantial improvements in the agricultural sector.

"It is estimated that agricultural output will improve because of weather conditions, a sufficient supply of water in reservoirs, and attractive agricultural commodity prices. This will also result in higher income for farmers," the report said.

"An acceleration of government spending, a more rapid implementation of investment projects under government concessions, and lower interest rates will stimulate economic growth. The economy is projected to grow by approximately 7.8 percent in 1996," the BOT report said.

The central bank also predicts a 1996 inflation rate of 5.5 percent as well as "slight improvement in the current account deficit, which which is expected to be 7.8 percent of Gross Domestic Product (GDP), down from 8.1 percent in the previous year."

The bank also foresees commercial credit expansion of roughly 19 percent and a deposit expansion rate of 16.8 percent during the year.

#### **Thailand: Defense Minister's Options in Military Reshuffle Noted**

*BK2607054696 Bangkok THE NATION in English  
26 Jul 96 p A6*

[Report by Prakopphong Panaphun "From the New Desk"]

[FBIS Transcribed Text] Despite Defence Minister Chawalit Yongchayut's recent assurances that he will not meddle in a military reshuffle, the local press continues to keep an attentive eye on the Army commander-turned-politician.

It has reasons to be suspicious about political fingers manipulating the new military lineup.

Fresh in the public's memory is last year's reshuffle in which Chawalit reportedly made a last-minute intervention to pick Gen. Pramom Phalasin instead of Gen. Phaibun Emphan as the Army commander-in-chief.

The stakes in this year's military rotation are significant. All top commanders — the permanent secretary for defence, the supreme commander and the three armed forces commanders-in-chief — are due to retire.

Chawalit would have an unprecedented opportunity to handpick the top positions for the entire armed forces.

Press speculations based on insider sources abound that the defence minister might play a Machiavellian role in plotting a military lineup that could further his ultimate political ambition — the coveted premiership.

For the office of the permanent secretary for defence, Chawalit seems to prefer his long-time confidant and aide, Gen. Yuthasak Sasiprapha, to the more senior deputy permanent secretary Adm. [Admiral] Surawut Maharom, according to the sources.

With Chawalit's blessings and the backing of the outgoing supreme commander, Gen. Watthana Sanphanit is the leading candidate for promotion from a deputy to the supreme commander.

Armed Forces Chief of Staff Gen. Mongkhon Amphonphisit is a possible alternative simply because he might be eyeing the Army commander-in-chief post.

The main contender, with Chawalit's tentative endorsement, for the top Army slot is Gen. Chettha Thanacharo. A possible drawback for Chettha is his past connections with a former powerful Army group that caused the downfall of a democratic government and led the country into the bloody May incident in 1992.

Regardless of whether Chettha is promoted or Mongkhon is transferred back to the Army, both deputy

army commanders, Gen. Thawan Sawaengphan and Gen. Bundit Malai-arisun, are due for promotion; one is destined for the Army's No 2 slot and the other may become Army chief of staff.

For his professionalism and long contact with the defence minister, Second Army Commanding General Surayut Chulanon is a prominent candidate for the assistant Army commander-in-chief post.

In line for taking over the Navy's top slot are Adm. Thamrong Wibunsathian, Royal Thai Fleet commander-in-chief, and Adm. Wichit Chamnakan, assistant Navy commander-in-chief.

Both may possibly be promoted to other positions to pave the way for Surayut, whom the defence minister is considering transferring from the Defense Ministry posting to the Navy.

Chawalit and outgoing Air Force Commander-in-Chief ACM. [Air Chief Marshal] MR [Mom Ratchawong — royal title] Siriphong Thongyai favour Air Force Chief of Staff ACM. Amon Naeomali as the next Air Force chief, but Supreme Commander Gen Wirot Saengsanit seems to prefer ACM. Samat Sotsathit.

ACM. Kriangkrai Sinthuwanon is a possible compromise choice should the defence minister and the outgoing supreme commander lock horns over the Air Force appointment.

Among several options open to Chawalit, one avenue which the defence minister is unlikely to pursue is to repeat his past mistake.

Before leaving his Army career to accept the defence portfolio in the Chatchai Chunhawan government, Chawalit nurtured Chunlachomklao Royal Military Academy's Class 5 graduates to take charge of the armed forces.

His intended military base, however, chose to deliver its class leader, Gen. Suchinda Khraprayun, into his shortlived premiership instead of supporting former mentor Chawalit.

The experience of promoting any one class of military officers to dominate the armed forces, which backfired, should also be a painful lesson for Chawalit to opt for the divide-and-rule strategy.

The defence minister is likely to spread his rewards evenly among key military leaders to ensure strong support, but not so strong that it threatens his own goals.

In plotting his military moves, however, the minister might also have to accommodate the wishes of Prime Minister Banhan Siniapa-acha and listen to the outgoing chiefs themselves, led by Wirot, who reportedly is

pondering the possibility of entering politics after his retirement.

Banhan, with a strong desire to remain in charge of his coalition, certainly would not allow Chawalit to usurp his political clout with the military.

Wirot, reportedly a close military confidant to Banhan, meanwhile has to balance the influences on him so as to ensure his own political future.

With all the political juggling going on, the annual military rotation list is likely to serve the aspirations of Chawalit, the prime minister and the outgoing general, with relatively little thought going to the development of professional armed forces.

### Vietnam

**SRV: Radio: 'Long Road' Ahead in Integrating With ASEAN, World**

**BK2607101196 Hanoi Voice of Vietnam in English 1000 GMT 22 Jul 96**

[Station Commentary]

[FBIS Transcribed Text] Vietnam has been a full member of the Association of Southeast Asia Nations or ASEAN one year. Vietnam's admission was a historic event which is in conformity with the common trend for a better future in the region.

Over the past year, as a full member of this regional organization, Vietnam has been preparing its human resources, legal framework, and policies in order to fulfill its role in ASEAN. As an ASEAN member, Vietnam was able to participate in the Asia-Europe Summit Meeting in Bangkok early this year and other ASEAN forums. Vietnam's integration in ASEAN has strengthened its role and prestige in the world. Countries in the region have become closer to each other for peace and development.

The environment for reliance, peace, and stability which has been created in the region constitutes a necessary factor for the settlement of any regional disputes.

Vietnam's achievements over the past years justified its timely admission to ASEAN. However, Vietnam is still in the initial stage of its long road of integration with the rest of the world.

**SRV: Canadian Official, Businessmen Meet Ministers**

**BK2607013196 Hanoi VNA in English 1438 GMT 25 Jul 96**

[FBIS Transcribed Text] Hanoi VNA July 25 — Canadian Secretary of State for Asia-Pacific Affairs Raymond Chan is leading a delegation of nine business

leaders on a four-day visit to Vietnam to promote bilateral cooperation in trade and environmental protection.

The Canadian secretary and his entourage, who arrived here on Tuesday, was received by Deputy Prime Minister Tran Duc Luong here this afternoon. He briefed Mr. Luong on the outcome of his recent talks with his Vietnamese counterparts and Canadian business people's desire to cooperate in areas where they have strength.

Deputy P.M. Luong expressed sincere thanks to the Canadian Government and people for their valuable support and assistance to the Vietnamese people over the past years, and noted with satisfaction the fine development of bilateral cooperation. He said he hoped that both sides would intensify the exchange of mutual visits to further develop their friendship and cooperation, particularly in the economics and trade, and wanted to see the Canadian investors' deeper involvement in Vietnam.

While in Hanoi, the Canadian officials held talks with Vietnamese Minister of Science, Technology and Environment Dang Huu Minister of Transport and Communications Bui Danh Luu Minister of Construction Ngo Dinh Loc and Vice Ministers of Trade Mai Van Dau, and Planning and Investment Vo Hong Phuc. They also had working sessions with officials from several key services of Hanoi after their courtesy visit to Mayor of Hanoi Hoang Van Nghien. A banquet was given yesterday evening by Vice Foreign Minister Nguyen Dinh Bin in honour of the Canadian secretary of state and his party.

The Canadian delegation left here for Ho Chi Minh City this afternoon for a short visit to the city and Song Be Province.

Earlier, Raymond Chan held a press conference on the results of his Hanoi visit, describing it as a good opportunity for companies in the two countries to promote economic and commercial links in the future.

Canadian officials said Vietnam would benefit more from Canada since its integration into the regional grouping of the association of Southeast Asian Nations (ASEAN) in July last year.

**SRV: Bulgarian National Assembly Delegation Ends Visit**

*BK2607013696 Hanoi VNA in English  
1432 GMT 25 Jul 96*

[FBIS Transcribed Text] Hanoi VNA July 25 — The visiting delegation of the Bulgarian National Assembly led by its Chairman, academician Blagovest Sendov, left here today, ending its three-day official visit to Vietnam.

The bulgarian delegation was seen off by, among others, Vice Chairman of the National Assembly [NA] Dang Quan Thuy who highly appreciated its Vietnam visit as a fine manifestation of the friendship and cooperation between the two legislatures and peoples. Mr. Thuy said he believed that the traditional cooperative and friendly ties between the two countries would be further developed in many fields, for the benefits and development of each nation.

NA Chairman Blagovest Sendov expressed his deep impression of the great achievements recorded by the Vietnamese people in their national renovation and demelopment. He also expressed his satisfaction at the success of his Vietnam visit which he said time would positively contribute to further expanding possibilities of bilateral cooperation between the two countries mainly in the domains of science and technology, training and culture.

While here, the Bulgarian guests also toured Haiphong port city.

**SRV: Deputy Interior Minister Views Organized Crimes**

*BK2507141596 Hanoi LAO DONG in Vietnamese  
18 Jul 96 p 7*

[Interview with Deputy Interior Minister Major General Le The Tiem by LAO DONG correspondent Huyen Linh — place and date not given]

[FBIS Translated Text] [Huyen Linh] Comrade, do you think that budding gangs of organized crimes in Vietnam are similar to and as complicated as societies of organized crime in foreign countries?

[Deputy Interior Minister Le The Tiem] There must be a correct understanding of the aforementioned gangs of organized crimes here. Criminologically speaking, because these are budding gangs of organized crimes, they cannot be compared with organized criminal societies like the Mafia in Italy, Yakuza in Japan, Cosa Nostra in the United States, or the Three Emperors Association in Hong Kong. The reason is that the mafias in foreign countries operate on a national or international scale with division of lordship, use of bodyguards, separate budgets and funds, and close connections with high-ranking officials of the state machineries.

With the application of the open-door policy in our country, criminal activities have begun to take place at a cross-country or interprovincial level. These criminal gangs often have their own chieftains, use weapons, and resort to sophisticated operating procedures and in a number of cases, have the collaboration of some deviant and degenerated cadres at the grass roots

level who, because they have been bought off, protect the perpetrators or try to deprive higher echelons of information on these criminal activities. As a result, criminal activities have been condoned in a number of localities and have gone unpunished. Nonetheless, once higher echelons have been informed of these criminal activities or have received letters of denunciation from cadres or the people, prompt actions have been taken to crush them. The incidents involving Tin Palet, Khanh Trang...are typical cases.

[Huyen Linh] Faced with such a situation, what measures has the Interior Ministry leadership taken to crack down on these gangs of organized crimes?

[Deputy Interior Minister Le The Tiem] So far, the Interior Ministry leadership has actively instructed the People's Police countrywide to concentrate efforts on cracking down on all kinds of dangerous criminal activities. A number of special police task forces have been set up and better trained and equipped to cope with organized crimes and armed robberies. The Interior Ministry has instructed local units to review the situation and try by all means to detect organized crimes and devise plans to arrest them. At the same time, coordinated actions have been achieved among the Interior Ministry, the Supreme People's Organ of Control, and the Supreme People's Court to provide guidance on the implemen-

tation of very strict and timely measures against these criminal activities before "little chips light great fires." Precautions have already been taken to prevent these criminal activities from becoming more complex and more dangerous. The Interior Ministry has also provided special police task forces with very good training and equipment so that they can perform more effectively on the crime suppression front in 1996 and the ensuing years.

[Huyen Linh] Thank you, comrade.

**SRV: Party Chief Do Muoi Visits Tuy Ha Industrial Zone**

*BK2607094796 Hanoi Voice of Vietnam in English  
1000 GMT 22 Jul 96*

[FBIS Transcribed Text] Vietnamese party leader Do Muoi has visited southern Vietnam industrial zone of Tuy Ha, Nhon Trach District, Dong Nai Province. So far the Tuy Ha industrial zone has attracted 18 investment projects with the total capital of \$108 million from Taiwan, South Korea, and Swiss investors. These factories are under construction and one is operational.

There are six industrial zones in Dong Nai Province with five others rebuilt. Under the master plan, the whole province will have 16 industrial zones by the year 2000.

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